

Policy and Procedures Management Manual

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Section 1 – Background and Purpose

The purpose of this Manual is to establish consistent program and project management procedures for staff and contractors to guide the administration of the State's traffic safety program in compliance with U.S. Department of Transportation (DOT), National Highway Traffic Safety Administration (NHTSA) regulations. Best practice requires that the Nebraska Office of Highway Safety (NOHS) have in place a current Manual that documents standard operating procedures and the management of the traffic safety program. The Manual contains a written record of approved current administrative and financial procedures. It serves as a guide to assist staff and administrators in performing their assigned functions.

This Manual does not, however, specifically address all regulations that must be followed. Occasional references to other Department manuals and policies are necessary.

This Manual is intended for use by NOHS personnel, Department employees, State and Local government officials, and anyone interested in the procedures that are followed by the NOHS.

All members of the NOHS staff receive a copy of this Manual and are held accountable for following the processes outlined in this Manual. Where applicable, NOHS staff performance evaluations may be tied to compliance with this Manual.

Section 2 – Updating the Manual

The NOHS should review the contents of the Manual at least on an annual basis to ensure the procedures remain current and accurate. Program and regulatory revisions received from State and Federal sources shall be made and distributed immediately upon receipt of notification.

The NOHS Administrator assigns the responsibility of updating the Manual, including the Table of Contents and Appendices, on at least an annual basis. Revisions requiring immediate attention may be initiated at any time. The Manual should be maintained on the NOHS website for easy access by NOHS staff and other interested persons. NOHS staff should be notified by e-mail of any updates made to the Manual. A group e-mail list should be maintained of all NOHS staff and other interested persons who should be notified of the Manual updates.

Section 3 – Reference to State Department Policies and Procedures

The laws and regulations of the State of Nebraska and the Department of Roads (NDOR) also govern the NOHS traffic safety program. The Department has created policies and procedures that may be pertinent to the administration of the traffic safety program. These policies should be reviewed periodically and serve as a guide to assist NOHS staff and administrators in performing their assigned functions.

References:

Grant Contract Proposal Application Guide and Policies and Procedures (NOHS)

Human Resources Policy & Procedures Manual – NDOR

NHTSA Highway Safety Grant Management Manual

Grant Tracking System (GTS) State Highway Safety Office Users Manual (NHTSA)

Roads Payment System (RPS) – NDOR

Accounting Manual - NDOR

State of Nebraska Accounting Manual

Nebraska Information System (NIS) – State Accounting Policies/Procedures

Section 4 – Federal Laws and Regulations

Background

The United States Congress authorizes traffic safety funds to be appropriated to the United States Department of Transportation, National Highway Traffic Safety Administration (NHTSA). NHTSA apportions and distributes these funds to the States. NHTSA apportions and provides a limitation on obligations that indicates the amount of funds available for each State. The States liquidate these funds through the annual State Highway Safety Plan (HSP) that is subject to NHTSA review.

Federal regulations govern the daily administration of traffic safety grants at the State level. Administrators of traffic safety grants shall be familiar with and follow each cited title and rule to effectively design and manage programs. Thorough knowledge of these regulations will reduce a majority of grant questions before they become problems.

The Highway Safety Act of 1966

The NOHS operates under the provision of the Federal Highway Safety Act of 1966, 23 USC 402, et seq., specifically 402(b)(1).

Under Section 402, federal agencies are given considerable leeway to modify the Traffic Safety program as necessary. This authorization requires these programs to have certain features under the Highway Safety Plan before they are approved. These features are contained in the following regulations:

- The corresponding regulation contained in the Code of Federal Regulations (CFR), 23 CFR Part 1200, Subpart B, 1200.10 requires the State's Highway Safety Performance Plan (HSPP) to have certain features before it is approved. These features are contained in a number of Federal regulations and guidelines.
- The Federal Highway Safety Act of 1966 makes the State's Governor responsible for preparing and administering a statewide traffic safety program designed to reduce traffic crashes and the resulting injuries, fatalities and property damage. The Governor has named the Director of the Department of Roads to act as his or her representative for the State's traffic safety program. The NOHS is located within the Department of Roads.

U.S. DOT Common Rule

The U.S. DOT Common Rule is contained in Title 49 CFR, Part 18, and is titled "Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments."

The Common Rule was developed to establish "consistency and uniformity among Federal agencies in the implementation and management of grants and cooperative agreements with State, Local, and federally recognized Indian tribal governments" (Office of Management and Budget [OMB] Circular A-102 [revised], 8/29/1997).

The Common Rule supersedes OMB Circular A-102 of 1981. The Common Rule applies to Federal grant recipients (such as the State) and the sub-recipients of federally assisted grants (such as municipalities receiving traffic safety grants from the NOHS).

Other Applicable Office of Management and Budget Circulars

Federal OMB circulars are frequently used as reference materials in administering grants. A list of OMB circulars applicable to the NOHS Traffic Safety program is available (See Appendix B. OMB Circulars).

Documents Available on the Internet

Most of the referenced Federal regulations and other cited procedural documents are available in the NHTSA Highway Safety Grant Management Manual that is available on the Internet at:

http://www.nhtsa.gov/nhtsa/whatsup/TEA21/GrantMan/HTML/00_Manl_Contents1_01.html

Section 5 – State Laws and Regulations

The laws and regulations of the State of Nebraska and the Department of Roads also govern the NOHS Traffic Safety program.

Nebraska Office of Highway Safety: Establishment via Enabling Legislation

Governor Norbert Tiemann, established the Nebraska Safety Program within the Governor's Office, agency #7, in 1967 in accordance with the 1966 Highway Safety Act.

David McLaughlin was designated by Governor Tiemann as the State's first Governor's Highway Safety Representative. The Highway Safety program remained in the Governor's Office until 1969, when Legislative Bill 1398, introduced on behalf of the Governor, was passed and approved on August 4, 1969. LB 1398, created a new cabinet level state agency, under the authority of the Governor. The agency, Office of Planning and Programming (#79), was given the review and approval authority over any federal grant application by any state agency.

The Office of Planning and Programming was also authorized to be the applicant for the State of Nebraska for additional federal grants and loans. The Office of Planning and Programming was also given authority over a number of existing federal grant programs, including the Nebraska Highway Safety Program. The Highway Safety Program, later identified in the budget as program 644, remained in the Planning and Programming agency until 1971.

LB 1027 and LB 1025, both State appropriation bills, were introduced on behalf of then Governor J. James Exon. With LB 1027 and LB 1025 Governor Exon moved the Highway Safety Program, along with the authorized budget and appropriation, program 644, to another cabinet level agency, the Department of Motor Vehicles, agency #24. In addition, Governor Exon established that the Governor's appointed Director of the Department Motor Vehicles would also carry the additional responsibility of the designated Governor's Highway Safety Representatives in accordance with the federal requirements.

LB 219 was introduced on behalf of Governor Heineman. With LB 219 Governor Heineman moved the Highway Safety Program, along with the authorized budget and appropriation to another cabinet level agency, the Nebraska Department of Roads (NDOR), agency #27. Effective July 1, 2009, the Highway Safety Program transferred to the NDOR. The Governor's appointed Director of the NDOR is the designated Governor's Highway Safety Representative.

Mission Statement and Program Goal

The program's overall performance goal, as well as the mission of the NOHS, is to reduce the State's traffic crashes, fatalities, and injuries on the roads through leadership, innovation, facilitation, and program support in partnership with other public and private organizations.

NOHS strives to accomplish this mission by identifying traffic safety problems and then enabling state and community leaders to develop and conduct effective programs and activities to address them. Accomplishing this mission is dependent on developing and maintaining partnerships and working cooperatively with partners interested in achieving the same goals.

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Section 6 – Definitions and Acronyms

This manual uses the following terms and acronyms to designate individuals, offices and processes involved in Nebraska's Traffic Safety program.

ACH – Electronic Transfer of Funds

Acquisition Cost – The net invoice unit price of purchased equipment including the cost of modifications, attachments, accessories, or auxiliary apparatus necessary to make the property usable for the purpose for which it was acquired. Other charges such as the cost of installation, transportation, taxes, duty, or protective in-transit insurance, shall be included or excluded from the unit acquisition cost in accordance with the contractor's regular accounting practices.

Administrative Requirements – Those matters common to grants in general, such as financial management, kinds and frequency of reports, and retention of records. These are distinguished from "programmatic" requirements, which concern matters that can be treated only on a program-by program or grant-by-grant basis, such as kinds of activities that can be supported by grants under a particular program.

AR – Annual Report

Audit – A review of programmatic and financial records conducted by a certified public accountant, which is the basis of an organization's legally required audit report.

Awarding Agency – (1) with respect to a grant, the Federal agency, and (2) with respect to a sub-grant, the part that awarded the sub-grant.

Cash Contributions – The contractor's cash outlay, including the outlay of money contributed to the contractor by other public agencies, institutions, private organizations and individuals. When authorized by Federal legislation, Federal funds received from other assistance agreements may be considered as sub-grantee cash contributions.

CFR – Code of Federal Regulations

Contract – The written document outlining the contractor's project and activities. The submitted Grant Contract Proposal Application, after negotiated revisions, becomes the Contract.

Contract Award – The written agreement between the NOHS and the contractor under which the NOHS agrees to provide funds in exchange for the contractor's performance of one or more projects supporting the NOHS programs.

Contractor – The recipient of a NOHS Contract Award. In this manual, "Contractor" refers to the organization that has been awarded funds by the Nebraska Office of Highway Safety (NOHS).

Cost Sharing or Matching – The value of the third party in-kind contributions and the portion of the costs of a federally assisted project or program not borne by the Federal Government. Cost-type contract means, a contract or subcontract under a grant in which the contractor or subcontractor is paid on the basis of the costs it incurs, with or without a fee.

CR – Claim for Reimbursement

Designee – A person or legal entity authorized to perform certain duties on behalf of the NOHS.

Equipment – Tangible, non-expendable, personal property having a useful life of more than one year and an acquisition cost of (\$5,000) or more per unit. A contractor may use its own definition of equipment provided that such definition would at least include all criteria defined above.

FARS – Fatality Analysis Reporting System

FHWA – Federal Highway Administration

GHSA – Governors Highway Safety Association

Government – A state or local government or a federally recognized Indian tribal government.

Grant Contract Award – The written agreement between the NOHS and the contractor under which the NOHS agrees to provide funds in exchange for the contractor's performance of one or more projects supporting the NOHS program areas.

Grantee (NHTSA Definition) – The government to which a grant is awarded and which is accountable for the use of the funds provided. The grantee is the entire legal entity even if only a particular component of the entity is designated in the grant award document.

GTS – Grant Tracking System

Guide – The "Grant Contract Proposal Application Guide and Policies and Procedures" which outlines the procedures for NOHS funding.

HCS – Highway Cost Summary

HSO – Highway Safety Office

HSPP – Highway Safety Performance Plan

Local Government – A county, municipality, city, town, township, local public authority (including any public and Indian housing agency under the United States Housing Act of 1937) school district, special district, intrastate district, council of governments (whether or not incorporated as a nonprofit corporation under state law), any other regional or interstate government entity, or any agency or instrumentality of local government.

Monitoring – A process whereby the NOHS assesses program progress and compliance by reviewing project related reports and files, financial records, and interviews contractors.

NDOR – Nebraska Department of Roads

NHTSA – National Highway Traffic Safety Administration

NOHS – Nebraska Office of Highway Safety

NTP – Notice to Proceed

Obligations – The financial amounts of orders placed, contracts and sub-contracts awarded, goods and services received, and similar transactions during a given period that will require payment or reimbursement by the grantee during the same or a future period.

OMB – United States Office of Management and Budget

Outlays (Expenditures) – Financial charges made to the project or program. They may be reported on a cash or accrual basis. For reports prepared on a cash basis, outlays are the sum of actual cash disbursement for direct charges for goods and services, the amount of indirect expense incurred, the value of in-kind contributions applied, and the amount of cash advances and payments made to contractors and sub-grantees. For reports prepared on an accrued expenditure basis, outlays are the sum of actual cash disbursements, the amount of indirect expense incurred, the value of in-kind contributions applied, and the new increase (or decrease) in the amounts owed by the grantee for goods and other property received for services performed by employees, contractors sub-grantees, subcontractors, and other payees, and other amounts becoming owed under programs for which no current services or performance are required, such as annuities and insurance claims, and other benefit payments.

P & A – Planning and Administration

P I & E – Public Information and Education

Plan – Nebraska’s Performance Based Strategic Traffic Safety Plan

PM – Project Manager

Prior Approval – Documentation evidencing consent prior to incurring specific costs.

Program Area – An area within a highway safety program eligible for traffic safety funding. Examples include: Alcohol (AL), Occupant Protection (OP), Traffic Records (TR), Police Traffic Services (PT), Planning & Administration (PA), etc.

Project – Activities proposed or implemented by the NOHS to address highway safety problems falling within one or more program areas.

Project Director – The person assigned by the contractor to assume direct responsibility for administering all phases of the project agreement.

Project Manager/Traffic Safety Specialist – The staff person at the NOHS assigned to monitor and oversee project activities.

Real Property – Land, including land improvements, structures and appurtenances thereto, excluding movable machinery and equipment.

RPS – Roads Payment System

SAFETEA-LU – Safe, Accountable, Flexible, Efficient, Transportation Equity Act – A Legacy for Users, Public Law 109-59

Scope of Work – The objectives and activities noted in the contract, which the contractor agrees to perform in compliance with instruction provided by the NOHS. The contractor shall provide and charge only for those services requested by the NOHS.

SHSP – Strategic Highway Safety Plan

State – Any of the several States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, and territory or possession of the United States, or any agency or instrumentality of a State exclusive of local governments. The term does not include any public and Indian housing agency under United States Housing Act of 1937.

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Section 1 – Overview

This chapter describes the NOHS planning process for traffic safety-related projects at the State and Local levels.

Each Federal fiscal year (October 1 – September 30) the NOHS shall develop a plan to qualify for Federal highway safety funding. The Plan and the Annual Report are submitted electronically to the NHTSA Regional Office. NHTSA posts each State's Plan and Annual Report on their website.

Federal approval of the Plan is in the form of a letter acknowledging the State's submission of the performance plan, Highway Safety Plan, Certificates and Assurances, and cost summary that complies with all Federal requirements. The Plan is due on September 1 annually. The NHTSA Regional Office forwards copies to NHTSA Headquarters and to the Federal Highway Administration (FHWA) division office.

At the beginning of the Plan development process, the NOHS considers a number of factors in determining project priorities and areas of emphasis. These factors are as follows:

- Federal Legislation
- State Statutes
- Federal and National Priorities and Goals
- State and Local Problems
- Crash, driver, vehicle, population, and public health data

National priority areas are established in [23 CFR Chapter II, Section 1205.3](#). Some of the national priority areas are also NOHS priority areas and are included in the Plan. These program areas then form the framework for providing detailed descriptions of the selected traffic safety projects.

Section 2 – Nebraska Performance-Based Strategic Traffic Safety Plan

The Plan is required by the U.S. Department of Transportation (U.S. DOT) and NHTSA regulations. The Plan consists of four major sections: Performance Plan, Highway Safety Plan (HSP), certifications and assurances, and HS Form 217 Cost Summary.

The Performance Plan describes the processes used to identify Nebraska's traffic safety problems and to propose the projects and activities the NOHS plans to implement to reach its performance goals. It includes performance measures for each goal to track progress from a baseline toward meeting the goal by the specified target date. The Plan describes the grant projects and activities the NOHS plans to implement to reach the goals identified in the Performance Plan.

The Plan development process consists of the following number of stages:

- Problem Identification
- Planning to Select and Prioritize Goals, Objectives, and Performance Measures
- Participation from Traffic Safety-Related Partners
- Development of Funding Priorities
- Issuance of Requests for Contract Proposals
- Review, Negotiation, and Approval of Contracts
- Implementation

The NOHS's Plan is produced annually and is developed through discussions and meetings coordinated by the NOHS. The NOHS works with inter-agency groups, State and local government agencies, community coalitions, previous grant recipients, and many others to develop the annual Plan. The initial planning meetings may be attended by NOHS staff only. These initial internal meetings allow for the review of previous year's comments on prior activities, the assignment of staff to assist with the drafting of the Plan program areas, the development of an initial budget, and the production of rough drafts for each program area.

Nebraska Performance-Based Strategic Traffic Safety Plan Development Process Calendar

Month	Activity
January	Debrief the previous year's program results with staff, and review the NHTSA Regional Office Priority Letter to help set State goals.
February – May	<p>Review and update Grant Contract Proposal Application Guide (Guide). Post on website.</p> <p>Receive calendar year standard summaries from NDOR.</p> <p>Conduct problem identification process including review of State traffic crash data and other related data sources.</p> <p>Complete the "Nebraska Motor Vehicle Crash Data by County" chart. Post on website.</p> <p>Complete the "Nebraska Youth Crash Data (Age 16-20)" chart. Post on website.</p> <p>Select priority counties based on crash data and create Tables using rates. Post on website.</p> <p>Distribute press releases to priority counties. Post on website.</p> <p>Conduct an internal planning session to guide funding distribution and overall direction of the traffic safety program.</p> <p>Convene program area sessions to assist with creating specific goals, strategies, and performance measures within each program area.</p> <p>Notify current year contractors of their eligibility for continuation and/or end of funding.</p> <p>Solicit grant contract proposal applications from priority counties. Post solicitations on website.</p> <p>Determine revenue estimates and draft an initial Plan budget.</p>
May 31	Application deadline for external project proposals.
June – July	<p>Acknowledge receipt of project proposals.</p> <p>Distribute contract proposals to NOHS staff for review and rating.</p> <p>Review project proposals and make selections.</p>
June 30	<p>Deadline for project approval or denial.</p> <p>Draft the Plan for internal review.</p> <p>Review draft Plan with NOHS staff.</p> <p>Involve NHTSA Region Office Representative in discussion/review of external contract proposals.</p> <p>Develop NOHS internal contracts.</p>
August	<p>Conduct NOHS final internal review of the Plan for compliance with Federal requirements, completeness and accuracy.</p> <p>Provide external project contract budget to Accountant.</p> <p>Finalize Plan budget.</p> <p>Schedule pre-award conference with new contractors.</p>

Month	Activity
August (cont.)	Update NOHS time sheets for new Fiscal Year.
September 1	Submit the final Plan to NHTSA Regional Office for formal review. Notify successful applicants and develop final grant agreements. Send final report reminder to current fiscal year's contractors. Finalize NOHS internal contracts. Issue Notice To Proceed to selected grantees.
October 1	Implement Plan, grants and contracts.
November	Begin preparation of Annual Report for previous fiscal year.
	Annual reports due from contractors by the second Thursday in November.
November 30	Final CR due from contractors.
December 9	Internal Annual Reports due.
December 31	Submit Annual Report to NHTSA Regional Office.

Section 3 – Coordination with the State Strategic Highway Safety Plan (SHSP)

The NOHS is structurally located within the Department of Roads. The Nebraska Department of Motor Vehicles (DMV), Nebraska Department of Roads (NDOR) and the Nebraska State Patrol (NSP) are responsible for the development of the State's SHSP.

The NOHS shall coordinate closely with the NDOR staff responsible for development of the SHSP to maximize integration and utilization of data analysis resources, fully represent driver behavior issues and strategies, and utilize any statewide safety committees to obtain input from State and local traffic safety partners for the NOHS's Plan. The NOHS shall ensure the goals and objectives contained in the SHSP are considered in the annual development of the Plan and incorporated to the fullest extent possible. The NOHS shall review the SHSP and Plan to identify any gaps in addressing driver behavior issues and eliminate any redundancy for the maximum use of resources.

Section 4 – Governors Highway Safety Association Template

The Governors Highway Safety Association (GHSA) represents agencies in each of the States and territories responsible for developing and managing statewide and local highway safety programs designed to reduce the human and economic consequences of crashes, injuries, and fatalities experienced by the nation's road users.

To assist the States, the GHSA has developed HSPP Administrative Guidelines. The guidelines describe a process for setting performance goals and address developing and selecting performance measures.

The Guidelines are accompanied by a template that provides a user-friendly, fill-in-the blank outline to the best possible extent. After reading the Guidelines, users can turn to the template and begin collecting information for each of the sections.

The GHSA [HSPP Guidelines and Template](#) are located on the GHSA website in the Projects and Activities page. The site also contains the GHSA Annual Report Template.

Considerable guidance is given to assist with problem identification, goal setting, and performance measure process, among others. References to the applicable Federal regulations are provided in the GHSA Guidelines. The NOHS may include additional analysis and information in the HSPP at its discretion. In development of the annual Plan, the NOHS may follow and reference the GHSA HSPP Guidelines and Template to assure all of the federally mandated and recommended information plus documentation of the HSPP development process are addressed.

Section 5 – Identification of State and Local Problems (Crash Data Review)

The purpose of the Plan's problem identification and assessment process is to:

- Understand the scope of Nebraska's traffic crash problem and causation factors.
- Prioritize the crash problems and causation factors in order of importance.
- Develop effective countermeasures to reduce or eliminate the problems.
- Design evaluation mechanisms to measure changes in problem severity.
- Manage influencing factors by using statistical crash data to highlight a particular problem in order to obtain the necessary support for instituting an effective countermeasure.

The Performance Plan section of the annual Plan is required to include a brief description of the processes used each year by the NOHS to identify its highway safety problems. In describing these processes, the NOHS shall identify the participants in the processes (e.g., highway safety committees, community, and constituent groups) and lists the information and data sources consulted.

The problem identification process used by the NOHS includes analysis of traffic safety data from established statewide sources. The process is completed by NOHS staff by April 30 annually and provided to all NOHS staff for review. The statistics analyzed are historical data collected over time through a uniform process. These statistics include the following:

- State traffic crash database - crash, vehicle, location, and person data.
- Data on average daily traffic counts and vehicle miles traveled.
- The Federal Fatality Analysis Reporting System (FARS).
- Vehicle and driver information - the State's driver license, vehicle registration, and citation/conviction files.
- Injury data - Trauma Registry, CODES, NEMSIS, and hospital data.
- Census and demographic data.

The result of the NOHS problem identification process is the establishment of the major traffic safety program areas in which to focus efforts.

Data elements fall into three general categories: people, vehicles, and roadways. These categories may be broken down into subgroups and assigned relevant characteristics, as shown in the following table.

Categories of Traffic Safety Data

Data Category	Subgroups	Notes:
People	Drivers, occupants, pedestrians	Age, gender, blood alcohol level, driver's education, experience and training.
Vehicles	Passenger cars, trucks, buses, motorcycles, bicycles, etc.	Sedans, SUVs, convertibles, airbags, anti-lock brakes, electronic stability control.
Roadway	Interstate, primary, secondary	Political subdivisions, lighting conditions, surface conditions.

Data subgroups should be reviewed to determine over-representation. Such over-represented subgroups indicate traffic safety problems. A good example is the high percentage of crashes among teenage drivers compared to the lower percentage of crashes among all drivers. Further analysis should focus on identifying subgroup characteristics (for example, increased severity) or any other specific factors suggested by the data when asking the traditional "who, what, where, why, and how" questions.

Over-represented factors can be determined by comparing the rate of crashes for a subgroup or characteristic within the jurisdiction to the same rate in a comparable or larger jurisdiction. The rate may be expressed either as a percentage or a ratio.

Percentage Example: If the percentage of adult vehicle occupants that do *not* use safety belts within a jurisdiction is greater than the statewide percentage, then that characteristic is over-represented.

Ratio Example: Dividing nighttime (9 p.m. to 6 a.m.) crashes by the total number of crashes for the jurisdiction within a given time frame produces a ratio. If that ratio is higher than the statewide ratio, a driving while impaired (DWI) problem may be indicated since typically most nighttime crashes are DWI related.

The Model Minimum Uniform Crash Criteria (MMUCC), sponsored by the GHSA, NHTSA, FHWA, and the Federal Motor Carrier Safety Association (FMCSA) describes the basis for data a State should collect about crashes which can then be used to answer the “who, what, where, why, and how” questions. Refer to the [MMUCC web site](#) for additional information.

Asking the following questions may help with data analysis and ultimately problem identification:

Questions to Help with Data Analysis and Program Identification

Question	Examples
Are high crash incidence locations identified?	Specific road sections, highways, streets, and intersections
What appear to be the major contributing factors to crashes?	Alcohol, other drugs, speed, other traffic violations, weather, and/or road conditions
What characteristics are over-represented or occur more frequently than would be expected in the crash picture?	Number of crashes involving 16 - to 19-year-olds versus other age groups, or number of alcohol crashes occurring on a particular roadway segment as compared with other segments
Are there factors that increase crash severity which are or should be addressed?	Non-use of occupant protection devices (safety belts, motorcycle helmets, etc.)

The following table shows an array of information that may be applied in the analysis of a crash problem:

Information That May Be Applied to Problem Analysis

Crash Factors:	Crash Characteristics:	Factors Affecting Severity:
<ul style="list-style-type: none"> • Risky Behavior • Loss of Control • Weather • Alcohol Involvement • Roadway Design 	<ul style="list-style-type: none"> • Time of Day • Day of Week • Age of Driver • Gender of Driver 	<ul style="list-style-type: none"> • Occupant Protection Non-Use • Position in Vehicle • Roadway Elements (Markings, Guardrail, Shoulders, Surface, etc.) • Speed

NOHS staff should be alert to the following factors that may impede effective problem identification and make appropriate adjustments when they appear:

- Data access restrictions.
- Inability to link automated files.
- Lack of location-specific data.
- Poor data quality.
- Reporting threshold fluctuations (variations among jurisdictions in the minimum damage or crash severity they routinely report).
- Insufficient data (property damage only, non-reportable crashes, near misses, bicycle crashes, etc.).

Section 6 – Key Program Areas, Goals, and Strategies

Using the data and information gathered through the problem identification process, the NOHS then selects key program areas for emphasis. Then NOHS coordinates the development of priority traffic safety performance goals and strategies for each program area using a documented planning process.

The Performance Plan section of the annual Plan is required to list objective and measurable highway safety goals within the National Highway Traffic Safety Administration Priority Program Areas (See National Highway Safety Program Priority Program Areas below) and other selected program areas based on the highway safety problems identified by the State during the problem identification process.

Annually a national priority memo is authored by NHTSA Headquarters to share their vision and priorities with the NHTSA Regional Offices and the States. "National Highway Priority Program Areas" are identified in 23 CFR Part 1205.3 by the U.S. DOT, NHTSA, and the FHWA as encompassing a major highway safety problem which is of national concern and for which effective countermeasures have been identified. Programs developed in the following areas are eligible for Federal funding, pursuant to guidelines issued by NHTSA:

National Highway Safety Priority Program Areas

Title
Alcohol and Other Drug Countermeasures
Police Traffic Services
Occupant Protection
Traffic Records
Emergency Medical Services
Motorcycle Safety
Roadway Safety
Pedestrian and Bicycle Safety
Speed Control

The NOHS Performance Plan may address all or some of the NHTSA program areas. Additional program areas may be included if sufficient justification for addressing those issues has been established in the problem identification process, such as, school bus safety and safe communities. These program areas then form the framework for providing detailed descriptions of the selected traffic safety strategies.

A complete listing of the Plan program areas with their respective and applicable Federal two - or three - letter alpha character accounting code designators is available.

Reference should be made to the Uniform Guidelines for State Highway Safety Programs that describes the areas that each State's plan should include in order to comprehensively address the critical highway safety program areas.

The Performance Plan Section shall also include a brief description of the processes used by the NOHS to define its highway safety goals and develop projects and activities to address its problems and achieve its goals. In describing these processes, the NOHS shall list the information and data sources consulted. Many resources are available to assist the NOHS in identifying appropriate countermeasures.

Section 7 – Performance Measures

The Plan includes performance measures for each NOHS goal to track progress from a baseline toward meeting the goal by the specified target date using absolute numbers, percentages, or rates. Program performance measures are reviewed and updated each year.

A performance measure is a quantitative or qualitative indicator expressed in terms of a planned level of activity and directly aligned to the objectives and goals of a project. Performance measures provide the basis for determining the degree of achievement of established objectives. Acceptable activity levels or outputs should be established as part of each grant agreement.

There are two common types of performance measures: direct and proxy. *Direct measures* are preferred. Examples of direct measures include: number of crashes, citations, people trained, units purchased, etc. Sometimes it is impossible to obtain direct measures. If such is the case, a proxy measure might be used. *Proxy measures* are indicators that provide an indirect assessment of desired activity. An example is a self-reporting survey conducted among a statistically valid sample of the population to determine behavioral change (recognition of public service announcements on television or radio, safety belt usage, impaired driving issues, single night-time crashes as an indicator of alcohol-related crashes, etc.).

The characteristics of a good performance measure are as follows:

- Quantifiable
- Directly Linked to Objectives
- Time Framed
- Accurate and Clearly Defined
- Understandable
- Objective
- Practical

The GHSA HSPP Template contains additional suggestions regarding the establishment of performance measures and should be consulted.

In the Performance Plan section of the Plan, each goal is required to be accompanied by at least one performance measure that enables the NOHS to track progress from a specific baseline toward meeting the goal (e.g., a goal to "increase safety belt use from XX percent in 20XX to YY percent in 20XX," using a performance measure of "percent of restrained occupants in front outboard seating positions in passenger motor vehicles").

The Performance Plan shall also include a brief description of the process used to define its performance measures. In describing this process, the NOHS shall identify the participants in the process and list the information and data sources consulted.

Within the NOHS, responsibility for development and review of the annual performance measures is assigned to the NOHS staff as determined by the Administrator.

Section 8 – Public Outreach

NHTSA regulations require that NOHS provide a brief description in the Performance Plan section of the Plan of the processes used to identify its highway safety problems, define its highway safety goals and performance measures, and develop projects and activities to address its problems and achieve its goals. In describing these processes, the NOHS shall identify the participants in the processes (e.g., highway safety committees, community, and constituent groups), discuss the strategies for project or activity selection (e.g., constituent outreach, public meetings, solicitation of proposals), and list the information and data sources consulted

To the extent possible, the NOHS should summarize information that shows an understanding of the major highway safety activities of other agencies and organizations and how the NOHS is collaborating with other agencies and partners. One method used by many States to reach their constituency groups is a pre-proposal application conference or meeting.

The NOHS strives to prevent the loss of life, personal injury, and property damage caused by traffic crashes and to reduce the resulting economic losses to the residents of Nebraska. The efforts necessary to reach these goals require partnering with public agencies and special interest groups to foster the sense of cooperation vital to accomplishing the mission. This includes:

- **Community Coalitions:** The NOHS encourages the development of community-based coalitions in order to engage citizen involvement in the health and safety of communities by demonstrating local commitment and community support.
- **Inter-Agency Working Groups:** The NOHS makes an effort to promote inter-agency cooperation relating to highway safety issues using the resources of various State departments and agencies to the best advantage possible.
- **Internal Working Group:** The NOHS “Nebraska Advocates for Highway Safety” is one example that combines community coalitions, state and local agencies.

Section 9 – Funding Priorities

The U. S. Congress authorizes traffic safety funds to be appropriated to the U.S. DOT, NHTSA. NHTSA apportions and provides a limitation on obligations that shows the amount of funds available for each State. The States liquidate these funds through the annual State Highway Safety Plan (HSP) that is subject to NHTSA review. Any earmarked or special purpose funds shall be used only in that particular program area and cannot be transferred to any other program area. When developing the Plan, new revenue estimates for each funding source are obtained annually from the NHTSA Regional Office by the NOHS typically in the first quarter of the calendar year for the following fiscal year. This information along with estimated prior year unexpended funds are used to develop the “estimated” total highway safety funding available for the upcoming fiscal year.

The NOHS is responsible for annually allocating the estimated amount of revenue by program area for the Plan is budget based on the information gathered in the problem identification, program goal and strategy processes. This assures the greatest potential impact on Nebraska’s overall goal of reducing traffic safety-related crashes, deaths, and injuries. The process for making the budget allocation decision should be documented in the Performance Plan of the Plan.

Nebraska receives new Section 402 funds annually. Nebraska makes application annually for other Federal programs and incentive funding sources and may also receive transfer funds. Planned funds are subject to revision depending on the actual amount of funding received. A Program Cost Summary (HS Form 217 or its electronic equivalent) is required to be completed and submitted with the annual Plan to reflect the proposed allocation of funds (including known carry-forward funds) by program area based on the goals identified in the Performance Plan and the projects and activities identified in the Plan. The funding level used shall be an “estimate” of available funding from all Federal sources for the upcoming fiscal year.

The funds distributed are available for expenditure to satisfy the Federal share of expenses under the approved Traffic Safety Program and shall constitute a contractual obligation of the Federal Government, subject to any conditions or limitations identified in the distributing documentation. Reimbursement of expenses shall be contingent upon the submission of an updated HS Form 217 (or its electronic equivalent) within 30 days after either the beginning of the fiscal year or the date of the written approval required under 23 CFR 1200.13, whichever is later. The updated HS Form 217 (or its electronic equivalent) shall reflect the allocation of Section 402 funds made available for expenditure during the fiscal year including known carry forward funds under 23 CFR 1200.14.

In the event that authorizations exist but no applicable appropriation act has been enacted by Congress by October 1 of a fiscal year, the NHTSA and FHWA Administrators shall, in writing, distribute a part of the funds authorized under Section 402 contract authority to ensure program continuity and shall specify any conditions or limitations imposed by law on the use of the funds. Upon appropriation of Section 402 funds, the NHTSA Administrator shall, in writing, promptly adjust the obligation limitation and specify any conditions or limitations imposed by law on the use of the funds.

The NOHS is responsible for development of the estimated annual Plan budget. The required HS Form 217 Cost Summary form and any necessary revisions are prepared for approval by the NOHS Administrator and included in the Plan submitted annually to the NHTSA Regional Office.

Section 10 – Benefit to Locals

States are required to ensure that at least 40 percent of all (new) Federal funds apportioned under Section 402 for any fiscal year are **expended*** by the political (local) subdivisions of the State, including Indian tribal governments, in carrying out local highway safety programs. These local highway safety programs must be approved and operated in accordance with the minimum standards established by the Secretary under Section 402 of the Highway Safety Act. See [23 USC Chapter 4, Section 402\(b\) \(1\) \(C\)](#) and [23 CFR Part 1250](#).

When Federal funds apportioned under 23 U.S.C. 402 are expended by the State or a State agency for the benefit of a political subdivision, such funds may be considered as part of the local share, provided the political subdivision benefited has had an active voice in the initiation, development, and implementation of the programs for which such funds are expended. In no case may the State arbitrarily ascribe State agency expenditures as “benefiting local government.”

*NOTE: The NOHS is required not only to obligate and plan for 40 percent of the Section 402 funds to be expended by locals or for the benefit of locals, but must also ensure that the required percentage of funds is actually expended by or for the benefit of locals. This requires the NOHS to periodically monitor local grant expenditure rates during the fiscal year and to determine the required minimum amount has been entered into the Federal Grant Tracking System (GTS) at fiscal year closeout.

The NOHS must document annually the expenditures by and for the benefit of locals. If the NOHS meets the 40 percent requirement with its grants to local units of government, no further documentation by the NOHS of local benefit is needed.

Use of Transfer Funds for Section 402 Purposes-Benefit to Locals: Section 154 and 164 transfer funds obligated and spent on alcohol-impaired driving countermeasures or directed to State and local law enforcement agencies for the enforcement of impaired driving laws or regulations (154AL and 164AL) take on the characteristics and requirements of the Section 402 program. No matching funds are required for these transfer funds; per Section 154 (c) (4) and Section 164 (b) (4), the Federal share of the project cost shall be 100 percent. However, at least 40 percent of the annual 154AL and 164AL funds must be used by or for the benefit of political (local) subdivisions of the State.

Section 11 – Transfer/Incentive Funds

Section 402 funds are used by the NOHS to support projects and activities within any National Highway Safety Priority Program Area or any other highway safety program area that is identified in the Plan as encompassing a major highway safety problem in the State and for which effective countermeasures have been identified. In addition to the Section 402 funds, Nebraska may be eligible to receive funds from other Federal incentive and transfer program sources. The specific available programs typically change with each Federal reauthorization of the highway safety program (usually every six years). The most recent reauthorization is commonly referred to as SAFTEA-LU (Safe, Accountable, Flexible, Efficient Transportation Equity Act - A Legacy for Users), which was enacted August 10, 2005. The prior reauthorization was referred to as TEA-21 (Transportation Equity Act for the 21st Century), which expired in 2003 and was extended through 2005.

As prescribed by Federal regulation, the NOHS must complete an annual application to determine its qualification or continued qualification for Federal incentive funds. The NOHS has qualified for several sources of incentives funds in the past including 157 Incentive, 157 Innovative, 163 Incentive, 405, 408, 411, 410, 1906, 2003(b), and 2010.

Regarding transfer funds, an annual determination is made by the U.S. DOT regarding the State's inability to enact or enforce specified State traffic safety laws or policies to address a program area as prescribed by the U.S. Congress in the current reauthorization. Information regarding the State's laws and policies is requested by the U.S. DOT to determine the State's eligibility. Nebraska is notified annually through a letter to the State DOT and the NOHS Administrator (Governor's Highway Safety Representative) from the U.S. Secretary of Transportation of any transfers of funds assessed against Nebraska under a particular section. Transfer funds shall be expended only in the manner specified by the section's authorizing regulation. The Administrator determines the expenditure of certain transfer and incentive funds and notifies the U.S. DOT accordingly by letter. Funds are committed for the expenditure of State projects are the primary responsibility of that agency. The NOHS may monitor, for informational purposes, the annual obligation of all incentive and transfer funds received by the State and the expenditure of such funds by sub-grantees.

The most current information regarding the requirements and limitations of each of the SAFETEA-LU and TEA-21 incentive and transfer fund programs can be found on line in the [NHTSA Highway Safety Grant Management Manual](#).

The Standard Review Checklists/Certifications for SAFETEA-LU grants used by the NHTSA Regional Office to review State grant applications can be found in the NHTSA REGIONAL POLICY AND PROCEDURES MANUAL available on line GHSA website, Members section.

Section 12 – Advertising

SAFETEA-LU FUNDS:

The NHTSA "[Guidance for States Using Section 402 Funds for Purchasing Advertising for Highway Safety Messages](#)" was updated in December 2006 to provide information to States using Section 402 funds and other highway safety funds to purchase advertising for highway safety messages. The NOHS has the authority to use funds to purchase advertising in a variety of mediums including television, radio, cinema, internet, print, outdoor, and sports marketing for highway safety messages. While the TEA-21 reporting requirement was not continued in SAFETEA-LU, States are still required to report on the purchase of media with Federal funds and its effectiveness in their Annual Reports. This guidance helps those interested in purchasing advertising by implementing a strategic communications approach to promote traffic safety. NHTSA advocates the use of a sustained high-visibility enforcement model that focuses on strategically deploying enforcement and communications resources at targeted times and locations throughout the year based on State problem identification. The objective is to influence and sustain year-round behavioral change while getting higher returns on investment and further improvements in traffic safety.

When Nebraska plans to use funds for this purpose, the NOHS shall document in their annual Plan information describing the following:

- what program/policy the advertising is supporting,
- how the advertising will be implemented to support an on-the-ground program,
- the amount allocated for paid advertising, and
- the measures that will be used to assess message recognition.

As with other activities, paid advertising must be part of a comprehensive program, which is designed to address specific highway safety goals identified in the NOHS Performance Plan. Advertising should not be a stand alone program or activity. For example, the communications plan should be preceded by the enforcement plan. If promotional items/giveaways are part of the overall strategy, they must be justified as furthering the program and be distributed in a systematically planned manner. Similarly, if Nebraska enters into a sponsorship agreement, it must be justified as furthering the program. Additional information and specific recommendations are provided within the NHTSA guidance for developing State communication plans including evaluation requirements.

Section 13 – Certifications and Assurances

Each fiscal year, the NOHS signs Certifications and Assurances with the submission of the Plan that Nebraska complies with all applicable Federal statutes, regulations, and directives in effect with respect to the period for which it is receiving grant funding. The NOHS grant application form requires compliance by sub-grantees with the NHTSA Certifications and Assurances.

The State Certifications are explained in the [NHTSA Highway Safety Grant Management Manual](#), which is available on-line and should be referenced to ensure that the most current requirements have been incorporated. The NHTSA Regional office may also be consulted annually to assure that Nebraska is using the most current version. The Certifications and Assurances are included in the GHSA HSPP template.

Failure to comply with applicable Federal statutes, regulations, and directives may subject State officials to civil or criminal penalties and/or place the State in a high-risk grantee status in accordance with 49 CFR §18.12.

Section 14 – Three Years Plus One Federal Expenditure Restriction

23 CFR Chapter 1, Subchapter I, Part 118(2) states, "Except as otherwise specifically provided, funds apportioned or allocated pursuant to this title (other than for Interstate construction) in a State shall remain available for obligation in that State for a period of 3 years after the last day of the fiscal year for which the funds are authorized. Any amounts so apportioned or allocated that remain unobligated at the end of that period shall lapse."

The NOHS shall monitor the obligation of Federal highway safety funds by year and by funding source.

Section 15 – Fund Liquidation

The NOHS shall promptly obligate and expend Federal highway safety grant funds and track fund liquidation including transfer and incentive funds by funding year and source. The oldest funds should be expended first whenever possible.

The NOHS should receive a quarterly report from the NHTSA Regional Office of the amount of carryover and current fiscal year funds from the GTS. The NOHS should review the report to ensure that funds are obligated expeditiously and older funds are expended first.

The NOHS Accountant shall be responsible for periodically examining the current liquidation of each funding source by year and shall promptly notify the NOHS Administrator of any unreasonably large amounts of unliquidated funds. The NOHS shall proactively bring any issues regarding unliquidated Federal incentive or transfer funds split by the NOHS and the other agencies to the responsible party at the other agency.

Section 16 – Delegation of Authority

NHTSA regulations require a formalized process be established by the State as to who can act on behalf of the NOHS Administrator in his or her absence. The NOHS is required to establish a written Delegation of Authority.

The following table lists signature authority related to the NOHS traffic safety grant program.

Delegation of Signature Authority

Document	Signature Authority
Highway Safety Performance Plan	Governor's Highway Safety Representative or NOHS Administrator
Certifications and Assurances of the Highway Safety Performance Plan	Governor's Highway Safety Representative or NOHS Administrator
Highway Safety Program Cost Summary	Governor's Highway Safety Representative or NOHS Administrator
Federal Cooperative Agreements	Governor's Highway Safety Representative or NOHS Administrator
National Highway Traffic Safety Administration Agreements	Governor's Highway Safety Representative or NOHS Administrator
Federal Grant Applications	Governor's Highway Safety Representative or NOHS Administrator
Internal NOHS Planning and Administration and Program Management grants	NOHS Administrator
Reimbursable Service Agreements	Governor's Highway Safety Representative or NOHS Administrator
Traffic Safety Program Grant Agreements and Amendments (any amount)	Governor's Highway Safety Representative or NOHS Administrator
State Vouchers for Federal Reimbursement	NOHS Administrator or NOHS Accountant
Requests to NHTSA to purchase equipment (\$5,000 or more) with Federal funds	Governor's Highway Safety Representative or NOHS Administrator

Chapter 3

Project Development

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Section 1 – Overview

In alignment with the problem identification performance goals and key strategies identified in the annual Performance Plan section of the Plan, the NOHS solicits proposals and awards grants to fund projects designed to reduce the number of deaths and serious injuries resulting from traffic crashes.

Traffic safety projects are initiated as a result of several types of “needs” including:

- Statewide and Local Problem Identification
- State Agency Initiative
- Community Initiative
- Key Events

The development of the final contract is a process. Grant contract proposals are submitted to the NOHS by potential contractors following a prescribed process. For successful applicants, the grant contract proposal becomes the final project. This chapter describes the proposal process.

Grant contract proposals must include the most current data available to identify a traffic safety problem, a workable solution linked to the identified problem, detailed action plans, budgets that demonstrate an understanding of the various issues to be resolved, and a reasonable approach to resolving the identified problem. Proposed projects must be closely related to problem identification results.

The NOHS contract award is a legally binding document when fully executed by both parties. It has as attachments other documents such as terms and conditions, detailed project descriptions, the approved budget, and certain required certifications and assurances.

Section 2 – Request for Grant Contract Proposal

Annually the NOHS develops and distributes the Grant Contract Proposal Application Guide and Policies and Procedures (Guide) to solicit contract proposals from interested applicants. The Guide contains the information needed by applicants to submit a grant contract proposal. The Guide is revised as necessary and posted on the website.

Section 3 – Grant Contract Proposal Application Guide

The purpose of the Guide is to establish program and grant management procedures and provide guidance to contractors for the development and administration of grant contracts. The guidance should assist contractors in understanding grant development requirements including an outline of the specific objectives of the project, budget, performance measures, and commitment of responsibility by the NOHS and the contractor. The Guide shall contain the following:

- Grant Contract Proposal Cover
- Key Elements of the Grant Application
- Grant Review and Approval Process
- Reimbursement Procedures
- Grant Revision Instructions
- Certifications and Assurances
- Policies and Procedures
- Other Information

The Guide is available online at the website or a printed Guide may be requested from the NOHS.

Section 4 – Grant Contract Proposal Development Calendar

The NOHS grant contract proposal application process is comprised of three steps.

During the month of May, grant contract proposal application solicitation notices containing the issues to be addressed including identified problems and goals are published on the website by NOHS and sent to public and non-profit organizations/agencies who will best be able to help attain the NOHS goals.

Potential contractors are asked to submit to NOHS a grant contract proposal application form containing a problem statement, a description of proposed activities, and a complete budget. It is emphasized that to be funded, projects must have a direct link to the NOHS identified problems and goals.

The NOHS staff reviews each application to verify that it addresses the identified problems and meets all of the application requirements and reviews the budget component of each proposal. If necessary, the NOHS staff works with the potential contractors to resolve any questions and develop a fully detailed and complete grant contract proposal application. The NOHS staff scores the proposals and resolves any remaining questions. The NOHS Administrator then makes the final grant selection, determination, and approval.

Grant Development Calendar

Month	Activity
May	Post Grant Contract Proposal Application on website.
June-July	Receive and review the grant contract proposal applications and contact applicants for clarification or missing information. Develop NOHS internal grants. Review of grant contract proposal applications by NOHS staff and identify applications for potential funding.
August	Complete grant negotiations and make final selection.
September 1	Submit the Plan to the National Highway Traffic Safety Administration (NHTSA) Regional Office.
September 1	Notify successful applicants and finalize grant agreements. Issue Notice to Proceed to selected contractors. Obtain approval for grants and contracts from the appropriate Department officials. Finalize NOHS internal grants.
October 1	Implement grant agreements.

Section 5 – Grant Contract Proposal Preparation Process

Grant contract proposal application must support the goals and strategies established for the emphasis program areas in the NOHS Plan. Grant projects implement the Plan.

The purposes for developing the grant contract proposal applications are to:

- Produce a clearly defined problem statement.
- Produce a clearly specified work statement.
- Clearly define goals and strategies.
- Clearly define respective roles and responsibilities.
- Achieve understanding among all parties.
- Reach consensus.
- Ensure accountability.

The grant contract proposal application development process begins with the submission of proposals to the NOHS by applicants. The Grant Contract Proposal Cover of the grant application is the Authorization cover page which requires the applicant to identify the primary emphasis area described by their proposal and provide their agency name, address, and authorizing official signature.

The Grant Contract Proposal Application includes the following nine elements in narrative form:

- Project Title and Summary
- Organizational Background
- Problem Identification
- Goal
- Objectives
- Strategies
- Evaluation
- Budget Proposal/Budget Narrative
- Cost Assumption

Grant contract proposal applications should include the most current data available to identify a traffic safety problem, a workable solution linked to the identified problem, detailed action plans, and budgets that demonstrate an understanding of the various issues to be resolved and a reasonable approach to resolving the identified problem.

Proposals should be closely related to the NOHS problem identification results, which are provided in the current year's NOHS Plan. The NOHS review of grant contract proposal applications will be conducted on the basis of the issues identified including problem identification, the reasonableness of the problem solution, and other factors pertinent to the resolution of the identified problem.

Additional guidance is provided in the NOHS Guide on reporting and reimbursement requirements, funding (allowable and unallowable costs), lobbying restrictions, and certifications and assurances.

Grant Contract Period

The grant contract period is the time during which the contractor may incur reimbursable costs to carry out the project. The typical grant contract period is October 1 through September 30. Funding assistance is intended to be used as "start up" or "seed money" to implement a project. Project activity that is successful is expected to continue after the NOHS funding assistance ends. Projects may be considered for funding assistance for up to three consecutive years with annual grant contracts between the NOHS and the funded project. In the first year, the NOHS typically provides funding assistance to projects at 90% or 100% (but NOHS may establish any other appropriate funding/matching formulas). If a second year is applied for, it is considered for no more than 75% of the first year's project cost. In the event a third year is applied for, no more than 50% of the first year's costs will be considered. The applicant must provide the remaining funding.

Project Title and Summary

Select a name for the proposed project. The summary should provide a **clear and concise** overview of the request. It should appear at the beginning of the proposal, although it will be the last item completed during preparation. The summary should include:

- Identification of the applicant/organization.
- The reason for the project, the issue, problem or need to be met.
- The goal of the project.
- The objectives to be achieved.
- The kinds of activities to be conducted to accomplish the objectives.
- The total cost of the project, funds already committed, and the amount requested in the proposal.

Organizational Background

This section is one or two short paragraphs of background information and history about the applicant's organization providing credibility.

The NOHS must determine if the applicant agency is qualified to receive Federal highway safety grant funds and is the appropriate agency to conduct the proposed project activity based on past experience, education, skills, and/or community or statewide leadership authority. The applicant must provide information in the proposed grant contract application regarding the agency's background, such as, prior funds managed, relevant project experience, etc. This is especially important if the NOHS has no past experience working with the applicant.

Eligible agencies must be able to perform the following:

- Deliver services promptly.
- Manage public funds efficiently.
- Collaborate with other community, governmental, and private organizations.
- Develop data-driven, problem-solving plans.
- Adequately evaluate the success of a project.

Problem Identification

Problem identification is the most critical part of the proposed project. It represents the justification for the proposal and focuses on the conditions the applicant wishes to change. The problem identification section of the proposed grant application should include a problem statement, which is supported by crash data analysis, program and community needs assessment information, or other relevant data. The NOHS may assist potential applicants with obtaining the necessary data.

All grant contract proposal applications must support the primary goal of reducing the number of injuries and fatalities resulting from traffic crashes. The problem identification section must focus on one of the primary goals and emphasis areas described in the NOHS Guide.

Goal

Grant contract proposal applications must address one or more of the NOHS goals stated in the NOHS Guide in order to receive consideration. The anticipated long-term results of the project must impact one or more of the following emphasis areas:

- Overall Goals: Fatal, A and B injury crashes.
- Alcohol-related fatal and serious (*A & B type) injury crashes.
- Occupant restraint use.
- Speed-related fatal and serious (*A & B type) injury crashes.
- Youth (ages 16-20) involved fatal and serious (*A & B type) injury crashes.
(*Injury type: A - disabling; B - visible but not disabling)

Objectives

In order for any project to be successful, it must contain measurable end results. The most useful objectives tell **who** is going to be doing **what, when, how much,** and **how** it will be measured.

- Describe objectives to address problem.
- Describe the objectives in numerical/measurable terms.
- Actual numbers using baseline data must support percentages.
- Do not describe strategies.

Strategies

The next step is to identify the strategies (activities) used to achieve the objectives. Strategies must be identified in the grant contract proposal application and must clearly explain in detail the anticipated activities that will be funded. This explanation should show a logical sequence of events that will take place to accomplish the objectives. The strategies should flow naturally from the problems and implement the objectives.

- Clearly describe the activities.
- List activities in sequence.
- Present reasonable activities that can be accomplished within the time allotted for the project and include completion dates.

Evaluation

Comprehensive evaluation involves an analysis of whether the project has achieved its stated objectives. It also involves an analysis of the role project activities have played in the accomplishment of those objectives. Contractors should detail how they will evaluate and measure the effectiveness of their project toward achieving its goals. Evaluation should be expressed in terms of what they intend to measure (numbers, attitudes, knowledge, etc.), what they plan to accomplish, or a measure of what will change. These measures and standards provide guidelines to determine the efficiency and effectiveness of the project. A well thought-out project evaluation process is critical.

- List final products.
- Each objective must be evaluated to determine success.
- Describe data gathering methods.
- Describe the process of data analysis.
- Show how evaluation will be used for project improvements.
- Describe evaluation reports to be produced.

Budget Proposal/Budget Narrative

The proposed budget for the project is an estimate but should be as specific as possible in identifying cost items. Examples of estimated costs for a project proposal include: costs of materials acquired and consumed specifically for the purpose of the contract, telephone added as part of the project, printing, postage, videotapes, office supplies, costs of office space, and special equipment added as part of the project. Promotional items and activities must directly relate to the project objectives offering incentives or encouraging the target audience to adopt specific practices. Avoid using the terms "miscellaneous" or "etc". Include a Budget Narrative which includes explanation of each item listed in the budget proposal.

- Estimate the costs of the project as accurately as possible.
- Include reasonable, necessary, and appropriate costs.
- Justify the costs to anticipated results.
- Indirect/In-kind costs are not allowable and should not be listed.
- Provide a budget narrative for each cost listed including out-of-state travel.

The NOHS Guide provides applicants with a Budget Proposal format which must be completed and submitted with the grant contract proposal application. A detailed cost breakdown must be provided to justify proposed costs. The approved project budget should be as detailed as appropriate for fiscal control.

The Budget Proposal may include the following line items:

- Salaries and Wages
- Fringe Benefits
- Travel and Subsistence
- Contractual Services
- Equipment (Each individual piece of equipment valued at \$5,000 or more must be identified.)
- Other Direct Costs

For each line item the applicant is required to identify both the NOHS share requested and the Applicant's matching share (if applicable).

Costs incurred before the grant agreement is signed by the NOHS are not eligible for reimbursement. Costs incurred after the grant agreement expires are also not eligible for reimbursement. No reimbursement is allowed before work has been performed or costs have been incurred.

Any deviation by the contractor from the approved budget require PRIOR approval by the NOHS.

Actual Cost: Actual cost agreements authorize the NOHS to reimburse the contractor for all costs incurred under the project subject to cost principles included in [2 CFR Part 225 "Cost Principles for State, Local and Indian Tribal Governments"](#).

Traffic safety grants are limited to the amounts and items authorized in the budget. Adjustments within the budget are allowed with prior written approval from the NOHS.

Overtime Rate: The majority of grants involving increased enforcement of traffic laws rely on the payment of overtime hours for patrol officers. The overtime pay rate for officers is based on actual cost per employee in accordance with the contractor's policy for payroll and salary rate. When a project includes overtime salary or wages, traffic safety funds can pay for the additional cost of fringe benefits directly associated with the overtime hours not covered by the employee's basic benefit package (an example of an eligible fringe benefit cost associated with overtime would be an employer's contribution to a retirement plan). The costs of fringe benefits are allowable to the extent that the benefits are reasonable and are required by law, employee agreement, or an established policy.

Allowable Costs: Reference should be made to Chapter 6, Fiscal Procedures, Section 5. Allowable Costs for discussion of contractors' allowable costs.

Proportionate Funding: For all activities and equipment to be funded, which have components both related and unrelated to a highway safety grant, the Federal share shall be based proportionately on the projected utilization for the National Highway Traffic Safety Administration's (NHTSA) grant purposes. For example, the NHTSA participation in the cost of Gas Chromatograph Mass Spectrometers for quantitative testing of drug evidential samples shall be on a pro-rata basis. If a police department plans to use this equipment 20 percent of the time to identify drugged driving evidence and 80 percent of the time to identify evidence for the narcotics squad, the Federal participation must not exceed 20 percent of the total cost of the equipment.

Contractual Services

Contractual services are services of individual consultants or consulting firms engaged in performing a special service pertinent to traffic safety. All contractors awarding subcontracts shall comply with the terms and conditions of [49 CFR Part 18, Uniform Administrative Requirements for Grant and Cooperative Agreements to State and Local Governments](#) see, Section 18.36 Procurement.

A contractor shall not enter into any subcontract without prior written approval by the NOHS. The costs of such services are identified in the Budget as "contractual services."

Subcontracts shall contain all required provisions of the contractors grant agreement terms and conditions. No subcontract will relieve the contractor of its responsibilities under the grant contract agreement. Subcontracts can be between governmental agencies as well as with non-government entities for professional services.

Per the NHTSA [Highway Safety Grant Funding Policy for Field-Administered Grants](#) – "Costs are allowable for highway safety consultant services from universities, public agencies, non-government organizations, and individuals for State or local highway safety support services or products consistent with the applicable OMB Circular, provided applicable State procurement procedures are followed and the State's official contract and procurement manual is maintained in the State's Highway Safety Office."

Travel and Subsistence

Travel directly related to traffic safety and linked to the grant objective(s) is allowable at prevailing State rates and subject to State travel regulations.

The Department's reimbursement for airfare, meals, lodging, and other travel costs will be based on the contractor's travel policy, but reimbursement of travel costs cannot exceed established State rates unless negotiated in the grant agreement and is for actual cost only.

Section 6 – State Agency Grant Contract Agreements

Grant contract proposals may be submitted by state agencies within the State of Nebraska. All previously outlined application requirements apply to state agencies submitting proposals.

Section 7 – Multiple Funding Sources

If a single applicant is requesting a grant to be funded under multiple Federal program funding sections, the applicant is required to submit a separate grant application which includes specific dollar amounts to the NOHS for each Federal program funding source.

Chapter 4

Grant Selection and Execution

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Section 1 – Grant Contract Proposal Application Process

Grant contract selection procedures will fully comply with the State and Federal regulations. High priority shall be given to proposed grant contract applications that address the traffic safety issues identified through the NOHS problem identification process. The grant selection procedure shall be reviewed and updated annually. The Grant Contract Proposal Application Guide shall be posted on the website to ensure adequate and uniform notice to all prospective contractors of the prescribed requirements and deadlines.

The following are eligible to submit applications for NOHS traffic safety grants:

- State Agencies
- Cities, Counties, and Local Subdivisions
- Non-profit Organizations with Existing IRS 501(c)(3) Status

Proposals must be either:

- Best practice/proven strategy supported by research, or,
- A demonstration project supported with a strong evaluation plan that will allow the NOHS to assess the effectiveness of the project at its conclusion.

Proposal Submission Instructions:

1. The grant contract proposal application original should be submitted with original signatures to the NOHS.
2. Applications received by the NOHS will be directed to the NOHS Administrator.
3. Applicants mailing applications will be instructed to allow normal mail delivery time to ensure timely receipt. Applicants assume the risk of non-delivery or late arrival associated with the method of delivery selected. The NOHS assumes no responsibility for delays caused by external delivery systems.
4. The NOHS will notify applicants by mail of receipt of their applications.
5. Applicants who do not receive a notice within fifteen days of submitting their application should contact the NOHS to confirm their application has been received.
6. Organizations claiming non-profit or not-for-profit status must submit with their application a letter showing their current 501(c) (3) status, been granted by the IRS.

Section 2 – Grant Contract Proposal Application/Distribution Log

The NOHS Grant Contract Proposal Application Distribution Log is created to track the receipt and handling of all grant contract proposal applications received by the NOHS annually. The purpose of the log is to assure that all required actions are completed in a timely manner.

The designated NOHS staff is responsible for making the initial entries and periodically updating the NOHS Grant Contract Proposal Application Distribution Log to reflect the current status of the applications.

Section 3 – Grant Selection Process

NOHS Initial Review

Grant contract proposal applications are first reviewed internally by the designated NOHS staff to:

- Ensure the application meets the required criteria.
- Check for budget availability and available resources.
- Compare the application with current activities.
- Determine whether the proposed grant activity will impact traffic safety; will work towards established goals by ensuring the problem is adequately described; and that objectives, performance measures, and resources requested will address the problem.
- Determine the potential contractor is the appropriate entity to perform the activities.

A Grant Contract Proposal Application Review Form will be completed by the NOHS reviewing staff to record all comments, questions, and additional information obtained from the applicant. After the first review of each proposed grant application within the NOHS, the designated NOHS staff will request any additional information needed by contacting the applicant.

The determination of whether the application has the potential to impact traffic safety goals will be based on its ability to be innovative, implement proven strategies, show a commitment to sustain and contribute to success, have measurable outcomes, and address the greatest demonstrable need/problem. Proposals that target high-risk populations, high-risk behaviors, and high-crash locations will receive additional consideration. The proposed strategy must be either a best practice/proven strategy supported by research or a demonstration project supported with a strong evaluation plan that will allow the NOHS to assess the effectiveness of the activity at its conclusion.

The following are some guiding questions for NOHS staff conducting a technical analysis of a proposed grant application:

- Has a traffic safety-related problem been adequately identified and appropriately described in the problem statement?
- Do the objectives directly address the identified problem?
- Are the objectives clearly stated and achievable?
 - Is a completion date indicated for each objective?
 - Is sufficient time allocated to achieve each objective?
- Will strategies provide adequate evidence of project activity and accomplishment of objectives?
- Are personnel needs accurately identified? For example:
 - If an objective involves public information and education activity, does the contractor have the resources available to perform and complete the activity?
 - Is the contractor aware of the NOHS's traffic safety public information and education policies and are they able to meet the requirements?
 - If the objectives involve law enforcement agencies, are there a sufficient number of appropriately trained officers available?
- Will any special equipment be needed? If so, will it be available for grant implementation or will the applicant require funding to acquire the equipment?
- Are there other considerations that might affect the contractor's performance? If so, are they adequately addressed?

Grant Review Team

Grant contract proposal applications are reviewed and rated by the Grant Review Team comprised of all NOHS staff members. The Grant Review Team reviews and scores proposals to establish a fair process for selecting grants.

Grant Proposal Evaluation Procedure

- When the grant reviewer has received an application, they read through each one completely at least one time with no points awarded. This method ensures a full understanding of each proposal before awarding points.
- Each grant reviewer will be supplied with a scoring sheet. When scoring, only whole numbers are used (not 3.5 or 4.76).
- Comments should be added as needed for clarification on the reason(s) points were awarded. The application reviewer may "insert comment" directly onto the scoring sheet or supply comments on separate documentation. Grant reviewers are not responsible for determining the actual award of the proposal; they are only scoring the proposal.
- Any questions identified will be resolved by the NOHS before a final selection is made.
- Final selections are made only with the approval of the NOHS Administrator.

Grant Negotiations

After a successful applicant has been notified their grant contract proposal application has been accepted, the applicant completes any final development issues through negotiations and discussions with the NOHS. The grant contract proposal application outlines the specific components of the project, the final authorized budget, and the specific strategies and objectives.

Final grant contract proposal application development typically involves some level of negotiation to ensure the final contract meets all of the NOHS requirements, expectations, and conditions. Negotiations allow the NOHS and the applicant to arrive at an understanding on the specific details of the grant contract proposal (such as; budget detail amounts, enforcement activity locations, evaluation criteria, etc.). Negotiations may involve discussion, clarification, or modifications to the proposed application. Items to be discussed during the negotiation phase include, but are not limited to, the following:

- Problem Identification
- Project Description
- Anticipated Outcome
- Time Period
- Location and Frequency of Activity
- Acquisition of Equipment or Other Items
- Frequency of Reporting and Invoice Submissions
- Budget Content
- Strategies

The following table lists the steps a typical proposed grant contract proposal application follows from initial development to final execution (also shown are the parties responsible for each step).

Project Proposal and Grant Agreement Preparation Process Overview

Step	Action	Responsible Parties
1	Project development and grant contract proposal application submission.	Applicant
2	Receive grant contract proposal application and log in.	NOHS Staff (Grant Distribution Log)

3	Grant contract proposal application review and clarification with applicant.	NOHS Staff and Applicant
4	Scoring the grant application.	Grant Review Team
5	Final Grant Contract Proposal Application negotiations.	NOHS Staff and Applicant
6	NOHS formal approval.	NOHS Administrator
7	Notice to Proceed (NTP) is processed	NOHS Administrator

Award

When possible, all applicants will be notified in writing of their award status by September 1. Following successful completion of negotiations and receipt of all required documentation, the NOHS issues a NTP to each successful applicant by October 1 of the new grant year. Each NTP shall be signed by the NOHS Administrator.

Debriefing Conference

Upon request, a debriefing conference may be scheduled for an unsuccessful applicant by contacting the NOHS Administrator after receiving notice the application was not accepted. The NOHS will schedule the debriefing conference upon receipt of the request. The NOHS may conduct debriefing conferences in person or by telephone. Discussion will be limited to a critique of the grant contract proposal application. Comparisons between other applications or evaluations of other applications are not permitted.

Section 4 – Final Grant Agreement Preparation

Special Conditions

In addition to the general required terms and conditions which apply to every traffic safety grant agreement, the NOHS may determine that special conditions should be imposed upon a specific contractor. Some reasons for the special conditions may be the nature of the specific strategy being addressed, past experience with the contractor, or a special requirement that is not otherwise addressed in the general terms and conditions. If a special condition is imposed upon a contractor, the special condition shall be documented in the NOHS NTP. Following are some examples of a special condition:

- The contractor is required to share equipment purchased under the grant with other agencies in their geographic region.
- The contractor is limited to using specific personnel to complete grant activity.

Signatures

NOHS requirements - When the NOHS Administrator executes a Grant Contract Award by signing it, he or she is certifying the agreement:

- Is legal and payable.
- Includes all required and applicable provisions.
- Complies with all applicable Federal and State regulations and laws.
- Has received Federal approval when such approval is required.
- Has been budgeted with available funds.
- Has been authorized by the NOHS as part of the Plan.

Before approval, all Grant Contract Awards will be reviewed for form and content, applicable provisions, eligibility of costs, consistency, and accuracy.

Contractor requirements - A final Grant Contract Award submitted to the NOHS must be signed by the authorizing official (person with contracting authority) for the applicant's agency or organization. The authorizing official, and in some cases the Project Director, must also certify and ensure all of the conditions contained in the Certifications and Assurances, Reporting Requirements, Invoicing Requirements, Certification Regarding Lobbying, and Restriction Against Lobbying sections of the grant agreement will be met including any special conditions.

For local grants, the agreement must be made with the unit of local government or political subdivision of the State, not with an operating division or function of the local governmental unit or political subdivision of the State. Likewise, for statewide grants the agreement must be made with the parent agency, not a bureau or division.

A Grant Contract Award must be approved and executed in accordance with contractor's procedures as well. This may involve placement on the agenda for a city council meeting, the county commissioners, or a State agency's director, board, or commission. Scheduling time frames vary from agency to agency. Scheduling requirements must be considered in the approval process to ensure the grant can be activated on time.

Educational institutions - 2 CFR Parts 215 and 220, [2 CFR Part 215 "Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, and Other Nonprofit Organizations"](#) and [2 CFR Part 220 "Cost Principles for Institutions of Higher Education"](#) require educational institutions provide a "Certificate of Facilities and Administrative Costs" (F&A) for federally funded projects. In addition, OMB Circular A-21 requires the following:

- To assure expenditures for sponsored agreements are proper and in accordance with the agreement documents and approved project budgets, the annual and final fiscal reports or vouchers requesting payment under the agreements will include a certification, and be signed by an authorized official of the university which reads essentially as follows:

"I certify all expenditures reported (or payment requested) are for appropriate purposes and in accordance with the provisions of the application and award documents."

Certification

The NOHS Grant Contract Award form must contain Required Terms and Conditions as well as requiring compliance with the NHTSA Certifications and Assurances, Certification Regarding Lobbying, and Restriction on State Lobbying. These sections provide the terms and conditions governing the grant and certifies a contractor will comply with the applicable regulations, policies, guidelines, and requirements including 49 CFR Part 18 and 2 CFR Part 225 (OMB Circular A-87) or OMB Circulars A-110 and A-21 or OMB Circulars A-110 and A-122, as they relate to the application, acceptance, and use of Federal or State funds for the project.

Contractors are required to become familiar with the contents of the Grant Contract Award form and are notified that failure to do so will not excuse nonperformance or noncompliance.

Failure to comply with applicable Federal statutes, regulations, and directives may subject State officials to civil or criminal penalties and/or place the State in a high-risk grantee status in accordance with 49 CFR §18.12. Each fiscal year the NOHS signs Certifications and Assurances with the submission of the Plan that the State complies with all applicable Federal statutes, regulations, and directives in effect with respect to the period for which it is receiving grant funding. The State Certifications are explained in the [NHTSA Highway Safety Grant Management Manual](#) which is available on line and should be referenced to ensure the most current requirements have been incorporated.

Section 5 – NHTSA Equipment Purchase Approval of \$5,000 or More

For all major equipment purchases and replacement purchases with a useful life of more than one year and an item acquisition cost of \$5,000 or more in values, the NOHS shall receive prior written approval from the NHTSA Regional Administrator. This procedure is required by 23 CFR §1200.21(d) and the NHTSA "Highway Safety Grant Funding Policy for NHTSA/FHWA Field-Administered Grants."

The NOHS shall include a "contractor's procedure" in the Guide for purchases of major equipment of \$5,000 or more in value in accordance with the applicable State and NHTSA regulations. The Guide will also describe allowable and unallowable equipment purchases as specified by the Federal regulations. The unit cost for equipment is the unit's purchase price plus any accessories necessary to make the equipment operational for its intended purpose.

During the review of proposed grant applications, the NOHS staff shall identify all equipment purchase requests by contractors which meet the above criteria. The NOHS staff shall ensure the equipment has been identified within the NOHS's Plan and written approval from NHTSA has been obtained by preparing a letter to be signed by the NOHS Administrator and then submitted to the NHTSA Regional Administrator for specific approval. The letter request shall describe the type, a complete description of the equipment, contractor's organization name, total cost, useful life, and how the equipment would support the State's highway safety program.

If approved, the NOHS shall inform the contractor to proceed with the equipment purchase by sending a written communication and providing specific instructions for the purchase of the equipment.

Before initiating the purchase of new and replacement equipment with a useful life of more than one year and an acquisition cost of \$5,000 or more, a contractor must obtain written notice from the NOHS Administrator stating that both NOHS and the NHTSA Regional Administrator have formally approved the equipment purchase. When making the equipment purchase, the purchaser should also obtain the expected service life and warranty of the equipment from the vendor or the manufacturer.

The "Highway Safety Grant Funding Policy for NHTSA/FHWA Field-Administered Grants," Part III (A) (4) states costs for purchase of office furnishings and fixtures are **unallowable**. The following are some examples:

desk	credenza	storage cabinet
chair	bookcase	portable partition
table	filing cabinet	picture or wall clock
shelving	floor covering	draperies and hardware
coat rack	office planter	fixed lighting or lamp

The NOHS, as part of its oversight responsibility, shall systematically monitor all contractors with grant-funded equipment to ensure that contractors are in compliance with all Federal and any State requirements for property management and inventory.

Equipment shall be used by the contractor for the purpose for which it was acquired as long as needed, whether the program continues to be supported by NOHS funds. When no longer needed for the original program, the equipment may be used in other traffic safety activities. If it is determined that the equipment is no longer needed for the purpose acquired or any other traffic safety purpose, the equipment shall be handled in accordance with NOHS policy and Federal requirements.

Section 6 – Reporting Requirements

The NOHS requires three types of progress reports in conjunction with traffic safety grant projects: monthly reports during the life of a grant, an annual report at the conclusion of each grant year, and special reports as required.

Progress reports provide NOHS with information that can be used to strengthen the overall traffic safety program. These reports keep the NOHS informed of a grant's progress, explain any difficulties encountered, provide background information that can be shared with others, and suggest ways in which the NOHS can assist and aid in the distribution of funds.

Monthly Reports

All grant contractors must submit a monthly activity report to the NOHS by the 15th of each month unless otherwise expressly approved by the NOHS. The monthly report shall contain the same goals and objectives as in the Grant Contract Proposal. Each goal/objective/strategy must be addressed in the monthly activity report in the same format as the proposal. Claims for reimbursement may be held if the grant contract recipient is delinquent in the submission of reports.

Items in the monthly report may or may not include copies of publications, training reports, and any statistical data generated in grant execution. Monthly reports should also include the following:

1. Completed studies should be included.
2. Equipment purchased must be identified.
3. Any unanticipated issues that affected the project.
4. Third party performance if applicable.
5. A copy of any consultant reports should be included.

Annual Report

Annual reports are due from grant contractors to the NOHS no later than the second Thursday in November. The Annual Report must contain the following:

1. All accomplishments and activities utilized to meet the goals/objectives outlined in the Grant Contract Proposal Application.
2. Each objective must be addressed.
3. The project's measurable impact on traffic safety must be included.
4. The Annual Report should be no longer than two pages in length.

*The Annual Report Format Form is available on the NOHS website at
http://www.dmv.state.ne.us/highwaysafety/contract.html#Annual_Report_Format_Form

Special Reporting

Special reporting may be required. If so, reporting frequency and requirements will be detailed by NOHS.

Section 7 – Contract Revisions

Grant contract proposal applications may be altered or amended prior to or after signing. The alterations or amendments are not binding unless they are in writing and signed by persons authorized to bind each of the parties. The signature of the NOHS Administrator is necessary to authorize the revision. If additional tasks or costs are authorized in the revision the contractor must not begin work on the additional tasks or incur the additional costs until the revisions are fully executed. A revision cannot be used to authorize new or different work not related to the scope of the grant being revised.

The NOHS procedure for review and approval of grant contract proposal application revisions are:

- Contractor submits in writing the request for a grant contract revision(s).
- NOHS Project Manager reviews the revision request and makes a recommendation for approval or denial.
- If recommended for approval, the NOHS Project Manager forwards the revision request to the NOHS Administrator for approval.
- Upon NOHS Administrator approval, the NOHS Project Manager notifies the contractor and issues a written approval.
- All related paperwork is retained in the project file.
- If the contract revision results in additional funds to the original contract award, the NOHS Accountant will revise the Contract Award.
- If recommended for denial, the NOHS Project Manager prepares an explanation for the denial and notifies the contractor in writing.
- All related paperwork is retained in the project file.

Section 8 – Development of NOHS Internal Contracts

In anticipation of the beginning of each new fiscal year, the NOHS Administrator and NOHS Accountant will estimate how much funding is needed for Planning and Administration (P&A) and Program Management costs to support the operation of the NOHS Highway Safety Program. Estimates will take into consideration any anticipated increases in costs as well as recurring costs. A proposed internal contract will be completed and approved for each program operated by the NOHS. The contract will describe the problem identification, goals, activities, performance measures, and a budget narrative for the upcoming year. NOHS internal contract awards will be approved by the Project Manager and the NOHS Administrator. The NOHS shall ensure that the internal contracts are developed and approved by September 30 of each fiscal year.

Definition of P&A Costs: P&A costs are those direct and indirect expenses that are attributable to the overall management of the State's Highway Safety Plan. Costs include salaries and benefits for the NOHS Administrator and for other technical, administrative, and clerical staff for the NOHS. P&A costs also include other costs such as travel, equipment, supplies, rent, and utility expenses necessary to carry out the functions of the NOHS.

Definition of Program Management Costs: Program management costs are those direct and indirect expenses that are attributable to the field coordination of the highway safety program area. Costs include salaries and related personnel benefits and other related costs such as travel, equipment, materials, and supplies.

All costs related to internal operation of the NOHS program will be charged only to the NOHS internal grants.

P&A Hard Cash Match Requirement

The NOHS Administrator shall ensure the internal P&A grant complies with applicable Federal regulations including the provision of a hard cash match of State funds in the amount of 50 percent of the costs claimed for eligible P&A functions. These requirements are contained in the NHTSA "Highway Safety Grant Funding Policy for Field- Administered Grants," Part I, A and B.

"Hard" match is defined as the direct expenditure of actual State funds. "Soft" match is defined as State or local funds that are expended in support of other qualifying traffic safety programs (such as, the salaries of highway safety related State-funded employees) and have not been utilized by another Federal, State, or local agency as matching funds for a separate Federal project.

The Federal P&A share shall not exceed 50 percent of total P&A costs. No match is required for Section 163 funds, Section 154 funds, or Section 164 funds transferred to Section 402, for U.S. Territories (23 U.S.C. 120(i)), or for Federally recognized Indian Tribal governments (23 CFR 1252) under the Indian highway safety program. From its annual State appropriations, the NDOR shall ensure the availability of the funds needed by the NOHS to support the hard cash match for the State's P&A share.

The NOHS shall limit Federal participation in P&A funding to not exceed 50 percent of the total cost of such activities. The NOHS shall ensure the Federal contribution does not exceed 10 percent of the total new funds the State receives annually under Section 402, Section 410, and for Section 154 and Section 164 transfer funds when used for section 402 purposes to support impaired driving programs.

If a NOHS is found by NHTSA to have miscalculated or not provided sufficient P&A hard cash match, the correct amount will be determined by NHTSA and the NOHS will be required to take the appropriate corrective action.

NOHS Employee Time Allocation and Certification Requirement

As provided by 2 CFR Part 225 Appendix B (8) (h), charges to Federal awards for salaries and wages, whether treated as direct or indirect costs, will be based on payrolls documented in accordance with the generally accepted practice of the governmental unit and approved by a responsible official(s) of the governmental unit.

Work on Single Indirect Cost Activity: No further documentation is required for the salaries and wages of employees who work in a single indirect cost activity.

Work Solely on Single Award: Subsection 8.h. (3) states that where employees are expected to work solely on a single Federal award or cost objective charges for their salaries and wages **must** be supported by periodic certifications that the employees worked solely on that program for the period covered by the certification. These certifications will be prepared at least semi-annually (twice a year) and will be signed by the employee or supervisory official having first-hand knowledge of the work performed by the employee. CERTIFICATION EXAMPLE: "From 1/1/XXXX until 6/30/XXXX, employee A spent 100 percent of their time on a section 410, Highway Safety Alcohol Program, signed by employee and supervisor." The certification may also be provided on every time sheet for the employee, where applicable, and signed by the employee and supervisor.

Work on Multiple Awards or Activities: Where employees work on multiple activities or cost objectives, a distribution of their salaries or wages **must** be supported by personnel activity reports or equivalent documentation which meets the standards in subsection 8.h. (5) of the regulation unless a statistical sampling system (see subsection 8.h. (6) of the regulation) or other substitute system has been approved by the cognizant Federal agency. Substitute systems may include, but are not limited to, random moment sampling, case counts, or other quantifiable measures of employee effort. Such documentation is required where employees work on the following:

1. More than one Federal award.
2. A Federal award and a non-Federal award.
3. An indirect cost activity and a direct cost activity.
4. Two or more indirect activities which are allocated using different allocation bases.
5. An unallowable activity and a direct or indirect cost activity.

The NOHS employee shall document the time worked in writing as provided above and their supervisor shall certify their time accordingly. The NOHS shall allocate the proportionate salary and related costs to the appropriate funding source or contract based only on the record of the actual time worked.

NOHS Invoicing and Reporting

The NOHS shall complete and submit at least quarterly invoices to NHTSA to request Federal reimbursement for allowable costs and prepare periodic progress reports for documenting the activities completed for the internal grants. If the NOHS receives or expends more than \$1 million annually, then the invoice shall be submitted monthly and within 15 working days of the end of each month.

Chapter 5

Grant Administration and Management

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Section 1 – Overview

This chapter contains sections on a wide range of procedures most of which are administrative in nature for specific methods involved in the administration and management of the Nebraska's traffic safety program.

Some of the sections contained in this chapter pertain to contractors, some only to the specific staff within the NOHS, and some to all involved in the traffic safety program.

Section 2 – Grant Management

The NOHS employee responsible for the day-to-day oversight of a grant is called the Project Manager. The Project Manager is responsible for tasks associated with their assigned projects. Failure to perform these tasks correctly can result in significant grant management and payment problems.

The Project Manager will monitor and evaluate the performance of all assigned projects.

Assigned contracts may include “external” projects and/or “internal” projects.

- External Projects – Grant Contract Proposal Application awarded to external contractors who implement and carryout all aspects of the project.
- Internal Projects – Projects awarded internally to the NOHS to provide funding for project management, public information and education, law enforcement overtime, law enforcement equipment, etc. Internal projects are written, implemented, and monitored by the project manager. All aspects of internal projects are the responsibility of the Project Manager.

Section 3 – Processing External Claim for Reimbursement and Internal Invoices

Processing External Claim for Reimbursement

Reimbursement of costs is contingent upon the following conditions:

- The availability of appropriated funds.
- Actual costs having been incurred (services provided, hours worked, etc.) in accordance with the approved project budget.
- Compliance with the cost principles established in the Office of Management and Budget (OMB) circulars referenced in the grant agreement.

Advances are not allowed. Reimbursement will be made only for costs incurred during the grant period.

Reimbursement Procedures/Documentation

All costs associated with the grant contract will be reimbursed **after** the expenses have been incurred. The Claim for Reimbursement (CR) is the form used to request a monthly reimbursement. The most current template is found on the NOHS website. The following are instructions for submitting the CR:

- The contractor must submit a separate CR **monthly**.
- On the form, indicate: a) Your agency's name as the Contractor; b) Contract #; c) Contract Title; and d) the Month of Expenditures; indicate if Final Claim.
- Enter the expenditures being claimed for the month under "Current Month Expenditures."
- Complete the "Previous Months Expenditures" and "Total Expenditures to Date" columns.
- Monthly program income generated by the grant contract **must** be reported separately in addition to the program income balance (if applicable).
- The Project Director and Authorizing Official must sign (in ink) and date the CR form.
- Reimbursement will not be considered if not accompanied by appropriate supporting documentation such as:
 - Weekly time reports; itemized personal services breakdown (available on NOHS website); invoices/statements; receipts; canceled checks or credit card statements, equipment inventory log; and competitive bids.
- Submit the original of the completed CR to the NOHS.
- The **cutoff** date for processing the CR is the **10th of each month**.
- A final claim for each grant contract must be submitted by November 15th. The CR must be marked **"Final Claim."**

Upon receipt of the CR, the Project Manager reviews all expenditures and supporting documentation to ensure accuracy, completeness, and that all reimbursement requests are eligible as authorized expenditures contained in the project budget.

After reviewing the CR, the Project Manager approves the request by initialing and dating the CR. Upon approval by the Project Manager, the CR is forwarded to the NOHS Administrator or his/her designee for approval and then routed to the NOHS Accountant.

Processing Internal Invoices

The activities associated with internal projects generate invoices from outside entities and/or transfers within the State Accounting System (i.e. payroll, postage, rent, etc.).

Invoices received for internal projects are routed to the Program Manager for review and approval. All approved invoices are routed to the NOHS Administrator and/or NOHS Accountant. The NOHS Administrator or his/her designee must approve all invoices.

Internal payment transfers that are automatically processed for projects, such as payroll, postage, rent, etc., are documented by the NOHS Accountant and included on the "General Ledger" generated for each internal project.

Section 4 - Public Information and Education (PI&E)

Materials

PI&E materials fall into two categories — educational and promotional and are defined as follows:

Educational — material that educates and informs an audience. These materials include items such as activity books, coloring books, brochures, posters, flyers, envelope stuffers, bumper stickers, etc.

Promotional — material that promotes, supports, or enhances efforts. These materials include key chains, on-board signs, mugs, pencils, magnets, litter bags, etc. There are more restrictions on the acquisition and use of promotional items because the cost of promotional items and memorabilia, including models, gifts, and souvenirs are considered unallowable “advertising”, see [2 CFR Part 225, Appendix B Selected Items of Cost, Item 1](#).

Reproduction of NHTSA or other Federal government endorsed material already approved is permissible. The cost of the items must still be included in the contract budget.

Promotional items can be used in conjunction with a project to enhance awareness of an issue, brand a campaign, or provide a reminder message for the intended recipient after the activity has been completed. When promotional items are included in a contract’s activities, a plan outlining the purpose of the items must be included in the contract. The plan should include the following information:

- Activity
- Promotional Item Type
- Quantity
- Cost
- Target Audience
- Explanation of How the Activity Will Help Meet the Objective of the Project
- Description of How the Results of the Activity will be Used and Reported

Promotional items cannot be freely distributed to the public without any action on a recipient’s part. Persons receiving promotional items must interact with the contractor in some manner related to the goal of the project to receive them; such as, attend a presentation, sign a pledge sheet, fill out a survey form, answer a traffic safety question, etc. The results of the interactive activity must be reported in the monthly report.

A record must be maintained in the NOHS file which outlines the distribution of PI&E material, particularly federally funded promotional material. The record will include the item description, quantity distributed, recipient, and the reason for using the item. The record does not need to include individual names, only the size of the group that received items (for example, “200 students at [name of school] received 200 key chains and posters for attending a [name of presentation]”).

Materials printed as part of the grant contract shall indicate the project is sponsored by the NOHS. Materials need to display the NOHS logo and/or words “Funded by the Nebraska Office of Highway Safety” or “Printed with State Highway Safety Funds.” All public awareness/education materials developed as a part of a highway safety grant contract are to be submitted in draft to the NOHS for written approval **prior** to production and/or distribution.

The grant contractor reserves a royalty-free, nonexclusive, and irrevocable license to reproduce, publish or otherwise use, and to authorize others to use, for federal government purposes: 1) The copyright in any work developed under a grant, sub-grant, or contract under a grant or sub-grant; and 2) any rights of copyright to which a grantee, sub-grantee, or a contractor purchases ownership with grant support.

These items may not be copyrighted without the expressed written permission of the NOHS. One copy of all materials printed as a part of the grant contract must be submitted along with the request for reimbursement.

Advertising

The limited purchase of media time or space (television and radio time, print, and billboard space) for traffic safety grant funded PI&E campaigns is permitted only in extraordinary circumstances and must be specifically approved by the NOHS.

Federally-funded public service announcements or video materials intended for television or cable television must be closed captioned.

Contractors that obtain grant funds to support paid advertising are subject to the same requirements as the NOHS and must provide the required Federal reporting information in their progress reports to the NOHS.

Section 5 – Procurement of Goods and Services - Contracts

The NOHS shall follow the State and department procurement rules and regulations for the purchase of goods and services for the direct use and benefit of NOHS operations. Questions regarding the procurement rules should be directed to the NOHS Accounting.

Contractors must follow the procedures outlined in the Guide when purchasing equipment.

State Contracts

- The NOHS will solicit bids through the State's Materiel/Purchasing Division as needed to generate a State contract for equipment and services.
- State contracts may be utilized by local entities.

Section 6 – Food/Beverage Costs

NOHS and Contractor Purchases – Federal Requirements

In addition to the Department restrictions, Federal traffic safety grant regulations only allow the reimbursement of meeting and conference costs including meals, transportation, rental of meeting facilities, and other incidental costs **if** the primary purpose is the dissemination of technical information. This requirement applies to the NOHS and contractors. Records must be maintained to document that the primary purpose of the meeting was the dissemination of technical information.

The NOHS meeting and conference documentation or a sub-grantee's progress report shall include a statement describing the date, location, number and/or names of attendees, the food and beverage items to be purchased, and a description of the meeting purpose.

Costs of alcoholic beverages are unallowable.

Costs of entertainment, including amusement, diversion, and social activities and any costs directly associated with such costs (such as tickets to shows or sports events, meals, lodging, rentals, transportation, and gratuities) are unallowable.

For additional information, refer to [NHTSA Highway Safety Grant Funding Policy for Field-Administered Grants](#) Part III. Unallowable Costs for Selected Items, (D) and, [2 CFR Part 225 "Cost Principles for State, Local and Indian Tribal Governments" \(OMB Circular A-87\)](#), Item 3. Alcoholic Beverages, and, Item 14. Entertainment.

NOHS Purchases – State Requirements

The NOHS shall comply with the Department regulations as outlined in the State Accounting Manual (January 5, 2010).

Section 7 – Property Management

Federal and State Requirements and Thresholds

Federal requirements regarding the use, management, and disposition of grant-funded equipment are found in 23 CFR §1200.21(c); and specify, States and their sub-grantees manage and dispose of equipment acquired under the Section 402 program in accordance with State laws and procedures.

State laws and procedures pertaining to property management are found in the Nebraska Information System (NIS) which establishes requirements that all departments and agencies must follow regarding the management of State property.

The NOHS staff will ensure compliance with all applicable Federal, State and Department policies.

Equipment with a useful life of more than one year and an acquisition cost of \$5,000 or more must have prior approval from the NHTSA Regional Office.

Contractor Property Management Systems

Contractors must establish and administer a system to procure, control, protect, preserve, use, maintain, and dispose of property furnished to them by the NOHS or purchased through a contract or other agreement in accordance with their own property management procedure provided the procedures are not in conflict with the standards contained in this section or Federal property management standards procedures specified in 49 CFR Part 18.36, as appropriate.

Any property purchased - regardless of the unit cost - must be specifically authorized in the Grant Contract Proposal. Equipment and other property acquired under a grant contract for use in highway safety projects shall be used and kept in operation for highway safety purposes.

Standards for property management described in 49 CFR Part 18.32 (c) through (e) will be used in accounting for equipment purchased under an agreement. The applicant agency shall seek disposition instructions from the NOHS prior to disposing of any item of equipment item purchased. The contractor may follow their own existing property management standards if they exceed the requirements set out in 49 CFR Part 18.32 (c) through (e).

Contractor Inventory

Contractors will maintain an inventory control system to ensure adequate safeguards to prevent loss, damage, or theft of the property. Contractors will institute adequate maintenance procedures to keep the property in good condition.

NOHS Equipment Inventory Policy

Each NOHS staff member shall be responsible for implementing the following equipment inventory procedures for each assigned project.

Equipment Inventory Procedures - \$5,000.00 or More

- Equipment purchases of \$5,000.00 or more must receive prior written approval from the NHTSA Regional Office.
- Once approval is granted, a copy of the approved letter must be placed in the project file with an additional copy provided to the NOHS Administrator for the Equipment Inventory book.

- Upon receipt of the equipment, either by the NOHS or the grantee, an "Equipment Inventory Log" must be completed and placed in the project file with an additional copy provided to the NOHS Administrator for the Equipment Inventory book.
- Each NOHS staff member shall be responsible for entering all pertinent information from the "Equipment Inventory Log" into the Master Inventory List - NOHS located on the computers' "SHARED" drive in the "Z:\\" Roads folder.
- Each NOHS staff member shall be responsible for ensuring an NOHS inventory tag is placed on all equipment purchases of \$5,000.00 or more. If the equipment comes into the NOHS the NOHS staff member shall place the tag on the equipment. If the equipment is sent directly to the contractor, the inventory tag shall be sent to the contractor with instructions to affix the inventory tag to the equipment.
- For all equipment purchases of \$5,000.00 or more, the serial number for the item shall be considered the inventory number.
- Annually, the NOHS will forward a physical inventory request form to each contractor requesting a physical inventory be conducted of equipment purchases of \$5,000.00 or more.
- No contractor shall dispose of any equipment without written approval from NOHS. Disposal of the equipment will be according to the applicable State and Federal regulations.

Equipment Inventory Procedures - \$150.00 to \$4,999.99

- Each NOHS staff member shall be responsible for ensuring an NOHS inventory tag is placed on all equipment purchases of \$150.00 to \$4,999.99. If the equipment comes into the NOHS, an NOHS staff member shall place the tag on the equipment. If the equipment is sent directly to the contractor, the inventory tag shall be sent to the contractor with instructions to affix the inventory tag to the equipment.
- No contractor shall dispose of any equipment without written approval from NOHS. Disposal of the equipment will be according to the applicable State and Federal regulations.

Section 8 – Contractor Travel

Reimbursement for out-of-state travel expenses by contractors requires prior approval by the NOHS. To request approval for out-of-state travel, a contractor must complete the following:

1. Ensure the grant contract proposal application includes a provision for the travel and there are sufficient funds to cover the cost of the trip.
2. If not included in the original grant contract budget, a request for out-of-state travel must be submitted to the NOHS for expressed approval at least 30 days prior to travel. The request must include the following:
 - The participant's name.
 - Date, description, and location of the training/conference and a copy of the agenda.
 - An itemized breakdown of all expenses associated with the training/conference.
 - A statement why the training/conference is needed and how the project will benefit.
 - If the training has pass/fail criteria, the participant must successfully complete the course and submit a copy of the course completion certificate to be eligible for reimbursement.
 - A written evaluation of the training/conference must be submitted with the monthly report.

To qualify for approval and reimbursement, the travel must be:

- **Necessary** to assist in the completion of project and program goals and objectives.
- **Specific** to the purpose of the grant (for example, an anti-impaired driving conference for a community alcohol project).
- **Appropriate** to the position and responsibility of the individual or individuals traveling (for example, project director to attend a community project seminar).
- **Of direct benefit** to the State, with such benefit unavailable through other means (for example, travel for a national one-of-a-kind event).

For travel to be considered for approval, the grant must include the following:

Requirements for Approval of Travel under a Grant

Requirement	Explanation
Sufficient Travel Funds	The contract budget should contain funds for travel. A line item for out-of-state travel or specific trips is not required. However, an indication of specific trips is recommended when known at the time of contract negotiations and approval.
Sufficient Funds to Cover Registration Fee, if Required	If the conference or out-of-state event requires a registration fee, sufficient funds will need to be budgeted and included in the approved budget.
Provisions for Out-of-State Travel	The contract must contain a provision that allows for out-of-state travel upon NOHS approval and requires this approval prior to travel and reimbursement.

Travel to attend in-state meetings or training not included in the approved grant contract requires the contractor to submit a request for prior written authorization for attendance from NOHS.

Contractors are eligible for meals and lodging reimbursement for actual in-state or out-of-state travel costs.

Upon receiving a request for travel in writing, NOHS will send a written response (e-mail or correspondence) approving or denying the trip, with an explanation, to the contractor.

To request travel reimbursement, the contractor must complete/include the following:

- The cost of the travel is reimbursed through the monthly CR.
- A receipt for any registration fee (if registration fee includes certain meals, then these meals should not be claimed again for reimbursement), airfare, lodging, or any other approved costs.
- A written evaluation of the conference or training attended.

Section 9 – Indirect Costs

Indirect costs are those costs that have been incurred for common or joint purposes. These costs benefit more than one cost objective and cannot be readily identified with a particular final cost objective without effort disproportionate to the results achieved. After direct costs have been determined and assigned directly to Federal awards and other activities as appropriate, indirect costs are those costs remaining to be allocated to benefited cost objectives. A cost may not be allocated to a Federal award as an indirect cost if any other cost incurred for the same purpose, in like circumstances, has been assigned to a Federal award as a direct cost.

Indirect costs are normally charged to Federal awards by the use of an indirect cost rate. A separate indirect cost rate(s) is usually necessary for each department or agency of the governmental unit claiming indirect costs under Federal awards.

Section 10 – Program Income

Most traffic safety contracts are intended to provide financial start-up for projects so they can become self-sustaining. Some projects conduct activities that generate income to cover present and future costs. When contractors earn money for their services or products, they may be earning what is defined in the Federal regulations as program income. Income earned by the contractor with respect to the conduct of the grant (e.g. sale of publications, registration fees, service charges, etc.) must be accounted for fully and applied to project purposes or used to reduce costs associated with the project.

As defined in 23 CFR, Part 1200.24, program income means gross income earned by the contractor from grant-supported activities. Such earnings may include but are not limited to:

- Income from service fees.
- Sale of commodities fabricated under the grant.
- Usage or rental fees of equipment (property) acquired with grant funds.
- Conference or training registration fees when the sub-grantee is the host agency.

NOHS must approve a contractor's request to earn program income. There must be an indication in the NOHS HSPP project description that the grant will generate program income and the total income earned must be reported by the Contractor in the Annual Report (AR). There also must be a clause in the contract which states the grant will earn program income and the contractor will spend the monies to fulfill the objectives of the grant. Recommended language for grants generating "program income" is as follows:

- All program income earned during the grant period shall be retained by the contractor, and in accordance with the grant or other agreement, shall be added to Federal funds committed to the project and be used to further eligible program objectives.
- Program income unexpended after the grant ends, shall continue to be committed to the original grant objectives.

Contractors must record the receipt of program income as a part of the grant project transactions in accordance with the grant agreement. Program income should be recorded on the CR and submitted monthly.

Contractors must also record and report the expenditure and disbursement of program income revenues as a part of the grant transactions in accordance with the grant agreement. Program income expenditures must be recorded on the CR.

For projects that **accumulate** program income, each claim form must contain information entitled Program Income. The following information must be included:

- The amount of program income earned in this period (supported by an entry on the form for reporting program income received).
- The previously accumulated program income by cost category where it was expended (supported by previous entries on the form for reporting program income received).
- The amount of program income previously expended.
- The amount of program income expended in the current period (supported by entries reporting program income disbursed).
- Any remaining program income balance.

Section 11 – Supplanting

The replacement of routine and/or existing State or Local expenditures with the use of Federal grant funds for the cost of activities that constitute general expenses required to carry out the overall responsibility of a State or Local agency is considered to be supplanting and is **not** allowable. Refer to [NHTSA Highway Safety Grant Funding Policy for Field-Administered Grants](#), Part III, D (1). Program Administration, Supplanting.

The sub-grantee shall not use grant funds to supplant State or Local funds or other resources that would otherwise have been made available for the grant program.

Contractor Employees: If a position created by a grant is filled from within the contractor's agency, the vacancy created by this action must be filled within 60 days. If the vacancy is not filled within 60 days, the contractor must cease charging the grant for the new position. Upon filling the vacancy, the contractor may resume charging the grant for the newly created position. The Financial Officer and the Authorizing Official for a contractor may not be funded under a grant.

Section 12 – Project File Maintenance and Organization

Sound fiscal and program management of the NOHS traffic safety program can be verified through the development and maintenance of complete, accurate, and accessible files. The NOHS must establish a physical project file for every grant. The contents of the file of record will vary depending on the type of agreement. The file of record will include any or all of the following:

- Signed Grant Contract Proposal Application/Grant Contract Award
- Pre-award Evaluation
- Original Signed Agreements and any Amendments
- Documents Referenced in the Agreement (Official Resolutions or Proclamations of Local Governing Bodies, Letter Indicating the Delegation of Signature Authority for Various Project Related Reports, etc.)
- Correspondence (including E-mails)
- CR with All Supporting Documentation
- Monthly Reports with All Supporting Documentation
- Monitoring Reports
- Pre-approvals
- Equipment Inventory Forms
- Data Collection and Trainings Conducted
- Other Supporting Documentation

Each project file will contain the original document or reference to the document that verifies those legal and administrative actions necessary for the award, implementation, monitoring, and evaluation of each project.

Public access: All file information is a matter of public record except any documents or information that may contain personal information is protected under federal or state privacy act laws. However, proper file management precludes public access to the files, which may include information of a sensitive nature such as personnel salaries, budget information, and internal correspondence. Access to the file of record will therefore generally be limited to those governmental officials with responsibility for the submission, operation, and close-out of the projects.

File retention: All contract and contract agreement records must be retained for three years from the date of final payment, until completion of audits, or until pending litigation has been fully resolved, whichever occurs last. The term "records" includes: all books, documents, papers, accounting records, and other evidence pertaining to costs incurred and work performed.

The NOHS Project Manager is responsible for maintenance of the grant filing system in compliance with this policy. Files should be reconciled annually after the fiscal year close out to assure all required documents are in place. The contents of the file will vary depending on the type but it will be set up in accordance with the following NOHS guidelines:

External Contract Project Files

Left Inside Cover (Top to Bottom)	<ul style="list-style-type: none"> • Grant Contract Award • Grant Contract Proposal Application • State Purchasing Contracts • Grant Contract Proposal Application Review Forms
First Right Inside Divider	<ul style="list-style-type: none"> • Claim for Reimbursement (Recent on top, with all supporting documents stapled to the CR)(Label the tab CR)
First Left Inside Divider	<ul style="list-style-type: none"> • Highway Safety Monitoring Reports and Contractor's Monthly Reports (Stapled together – Monitoring Report on top)(Recent on Top)(Label the tab Monitoring Reports) • Annual Report (On top of all Monitoring Reports)
Second Right Inside Divider	<ul style="list-style-type: none"> • To be used for overflow of CR or Monitoring Reports (do not combine)-(Use pocket file if too big for divider)
Second Left Inside Divider	<ul style="list-style-type: none"> • Miscellaneous – surveys, newsletters, etc. (Recent on Top)(Label the tab Miscellaneous)
Right Inside Back Cover	<ul style="list-style-type: none"> • Correspondence to and from Contractor (recent on top) (Label the tab Correspondence) (Staple inquiry and response together)

Internal Contract Project Files/Multiple Mini-Grant Contracts

Left Inside Cover (Top to Bottom)	<ul style="list-style-type: none"> • Internal Contract Award • Grant Contract Proposal • State Purchasing Contracts
First Right Inside Divider	<ul style="list-style-type: none"> • Claim for Reimbursement (Recent on top, with all supporting documents stapled to the CR)(Label the tab CR)
First Left Inside Divider	<ul style="list-style-type: none"> • Highway Safety Monitoring Reports. (Recent on Top)(Label the tab Monitoring Reports) • Annual Report (On top of Monitoring Reports)
Second Right Inside Divider	<ul style="list-style-type: none"> • To be determined by the Project Manger. Be consistent with all of your internal files and clearly label the tabs to reflect the contents.
Second Left Inside Divider	<ul style="list-style-type: none"> • To be determined by the Project Manger. Be consistent with all of your internal files and clearly label the tabs to reflect the contents.
Right Inside Back Cover	<ul style="list-style-type: none"> • To be determined by the Project Manger. Be consistent with all of your internal files and clearly label the tabs to reflect the contents.

* Note: All Drug Free Workplace Policies and Safety Belt Policies are filed in the corresponding notebook by the Staff Assistant.

Section 13 - Monitoring

Purpose

According to 49 CFR Part 18.40, NOHS is responsible for managing the day-to-day operations of contract supported activities. The NOHS must monitor contract supported activities to assure compliance with applicable Federal requirements and to ensure performance goals are being achieved.

Monitoring is done to maintain control of a project, detect problems, identify changes or training needs, provide data for planning, and evaluate and create an opportunity for NOHS to provide technical assistance when needed. It also is a way to encourage accountability on behalf of the contractor. Monitoring requires forms to be completed for documentation.

Types of Monitoring

NOHS will utilize the following types of monitoring:

- Ongoing contact with the contractor through phone calls, meetings, e-mail, and correspondence.
- On-site monitoring reviews of project operations, management, and financial systems
- Monthly review of activity reports and approval of CR.

Ongoing Monitoring

Ongoing monitoring occurs every time the Project Manager holds a discussion or communicates with a contractor through phone calls, meetings, e-mail or correspondence.

- Frequency: Ongoing monitoring can occur daily, weekly, or monthly. Weekly phone calls may be appropriate if there are problems. Monthly status meetings might be needed for complex projects. Some form of ongoing monitoring shall be conducted by the Project Manager with each contractor in their program area at least monthly. The NOHS Administrator shall ensure all required on-going monitoring activity is completed by the Project Manager within the Federal fiscal year in compliance with NOHS policy.
- Problems: If problems are identified, the situation could require a meeting between the contractor and the Project Manager or even the scheduling of an on-site monitoring visit. The determination of the appropriate action to be taken should be made by the NOHS Administrator and the NOHS Project Manager. Any additional monitoring requirements will be documented in the project file.
- Approach: The Project Manager will rely on regular correspondence and the annual on-site visit to handle routine project issues. The contractor's project director should monitor work under the agreement with sufficient frequency to be sure the work is progressing according to the plan and to quickly identify any major problems or variances from the plan. Careful monitoring of work is the best method of assuring compliance with the grant and preventing disputes.
- Items: Any item related to the progress and management of the contract should be covered in ongoing monitoring. Although usually limited to the progress of activities, ongoing monitoring should also cover budget issues, problems encountered, procurement procedures, projected changes, etc.
- Participants: Ongoing monitoring can involve any contract personnel with management or oversight responsibility for the project. In addition to the Project Director, this may include a financial officer and any other key project personnel.
- Documentation: Copies of all correspondence are to be kept in the NOHS project file. A note to the file should be provided to document all meetings and significant discussions. This documentation

becomes essential during the course of the project in case of changes in the project activities, budget, or personnel. The documentation is also extremely important at the end of the project as it is used to evaluate grant and contractor performance.

Monthly Monitoring

Monthly monitoring occurs when the Project Manager reviews the contractor's monthly activity report and monthly CR. During these reviews the Project Manager should:

Claim for Reimbursement (CR)

- Verify the "Previous Months Expenditures" and "Total Expenditures to Date" against the previous CR. Resolve any discrepancies.
- Review the CR to ensure all required signatures have been obtained from the contractor.
- Review all current month expenditures and supporting documentation to ensure expenses are eligible reimbursable expenses supported with the necessary documentation.
- Review any program income.
- Determine the Federal Reimbursement Percent (i.e. 100%, 75%, or 50%).
- The Project Manager should address and resolve any problems or discrepancies with the contractor prior to submitting the CR. These communications must be documented in the project file.
- The Project Manager initials and dates in the designated area approving the reimbursement request.
- Project Manager files a copy in the project file until the original CR and supporting documents are processed and returned by the NOHS Accountant.

Activity Reports

- The Project Manager reviews the contractor's monthly activity report to determine the progress of the project.
- All activities should support the strategies and objectives in the Contract Proposal.
- The Project Manager should address and resolve any problems regarding the scope of activity with the contractor. These communications must be documented in the project file.

After conducting the monthly review of the contractor's CR and activity report, the Project Manager will complete an NOHS Monthly Monitoring Report reflecting the contractor's activities and expenditures. The NOHS Monthly Monitoring Report should address each objective outlined in the contract proposal. The monthly activity should support these objectives.

On-Site Monitoring

Calls, letters, and occasional meetings are generally not sufficient to adequately monitor a project, particularly those that are more complex. The Project Manager will need to go on-site to review project status, documents, contractor management, and financial systems annually. This type of in-depth review is called "on-site monitoring" because the Project Manager must actually go to the location of the project and the offices of the contractor to conduct this monitoring. The need for on-site monitoring may be identified during ongoing monitoring activity. (See Appendix E. On-Site Monitoring Form).

Items to Review: An on-site monitoring review includes an examination of all issues related to the effective and efficient operation of the project. The following, though not all-inclusive, are the most important items to review:

- ✓ Progress toward achievement of objectives and performance goals.
 - ✓ Adherence to strategies and action plan.
 - ✓ Status of budget.
 - ✓ Accounting records.
 - ✓ Personnel records and time sheets.
 - ✓ Any necessary pre-approvals (such as out-of-state travel).
 - ✓ Supporting documentation (signature authority letter, verification of costs, invoices, subcontracts, etc.).
 - ✓ Equipment purchased or leased as part of the project (i.e., inventory purchased for the project) to ensure that it is being used for the purpose for which it was bought or leased under the grant agreement.
- Advance Preparation: Prior to the on-site monitoring, the Project Manager should:
 - ✓ Plan each site visit well in advance (preferably three to four weeks).
 - ✓ Carefully review the contract agreement to determine which activities in the action plan should have been accomplished by the site monitoring date.
 - ✓ Note any special terms or conditions that need monitoring.
 - ✓ Review all correspondence, performance reports, and requests for CR submitted prior to the visit.
 - ✓ Set appointments with the contractor's project staff.
 - ✓ Provide to the contractor a list of the types of documents to be reviewed (i.e., time sheets, invoices, and forms).
 - ✓ Note items requiring follow-up from previous monitoring visits or ongoing monitoring.
 - Review of Source Documents: The Project Manager will review documents and evidence of task completion depending upon the activities to be conducted and the types of costs involved in the project. Examples of source documents to be included are shown in the following table:

Source Documents Reviewed During On-Site Monitoring

Document Type	Notes
Time Sheets	Time sheets, pay records, payroll registers, and possibly personnel records (salary rate) must be reviewed to determine salary and wage costs are fully supported. Time sheets must account for 100 percent of time regardless of the amount charged to a grant. If only a percent of time is to be reimbursed, then the prorated amount must be correct.
Fringe Benefits	If reimbursable, fringe benefits (such as health insurance, pension plan, etc.) must correspond to the amount or percent eligible.
Travel Costs	Only travel directly associated with the grant may be reimbursed. This might include; for example, travel to meetings called by the NOHS.
Claims and Payments	Only those costs in the approved budget may be reimbursed. Any discounts must be credited; the discounted amount would be reimbursable. Any payments must be directly attributable to the grant costs.

In the case of a high volume of documents, a sampling methodology may be used either randomly or selectively (such as, every fifth voucher or every other time sheet). The purpose of the financial document review is to ensure costs claimed reconcile to the documentation.

- Review of Project Status: The Project Manager will review the status of project activities for examples of evidence of progress towards task completion. This might include the following:
 - ✓ Attendance rosters for training projects or events.
 - ✓ Citations and warnings for enforcement projects.
 - ✓ Newspaper clippings of events for public information activities.
 - ✓ Analyses and reports for data or problem identification projects.
 - ✓ Survey or questionnaire results.
 - ✓ Personnel training records.
- Review of Budget Requirements: The Project Manager will review the records for adherence to the budget requirements including, but not limited to, determining whether:
 - ✓ Expenditures are on schedule.
 - ✓ Costs are in the approved budget or any subsequent amendment.
 - ✓ Any necessary prior approvals for travel, equipment purchases, or changes have been obtained.
 - ✓ Appropriate procedures have been followed for all expenditures.
 - ✓ Appropriate supporting documentation is available and filed.
 - ✓ Reimbursements are up to date.
- Direct Observations: Although not required, on-site monitoring may also include direct observation of activities performed. These might include attendance or participation in a:
 - ✓ Meeting, workshop, or training course.
 - ✓ Press conference or other media event.
 - ✓ Presentation to a school, organization, or civic club.
 - ✓ Task force or committee meeting.
 - ✓ Shift of overtime enforcement.
- Documentation: The Project Manager will complete the required on-site NOHS monitoring record form. The Project Manager will sign the form according to the instructions provided and attach copies of all appropriate records and other documents reviewed during the visit. The checklist, with attachments, will be placed in the contractor file at NOHS.
- Contractor Notification-Compliance: If no corrective action is necessary, the contractor shall be notified of the results of the on-site monitoring by letter. The contractor may receive a copy of the Monitoring Form upon request.
- Contractor Notification-Noncompliance: If corrective action is needed, reference should be made to Section 14. Resolution of Monitoring Findings. The determination of the appropriate action will be made by the Project Manager and the NOHS Administrator. Any additional monitoring requirements will be documented in the project.

Section 14 – Resolution of Monitoring Findings

Minor Findings

The Project Manager shall notify the contractor's project director in writing upon any initial indication of minor discrepancies or errors in reporting, project implementation, or accounting.

A written notification of any finding must include the following information:

- A description of the finding.
- A description of any actions or options the contractor may make in response to the finding.
- A date by which the contractor should implement the recommended action or advise NOHS of a proposed alternative or both. Under most circumstances, this date should be no more than 30 days after written notification by the NOHS.

Copies of this correspondence, including copies of e-mail exchanges, are to be included in the project file.

Repeated Incidence/More Serious Findings

Upon a repeated incidence of a minor finding or a more serious error or discrepancy, the Project Manager will request through the NOHS Administrator that a written warning be sent to the contractor.

In addition to the information required for a minor finding or first notification, the letter may include any potential ramifications or imposed requirements. These remedies might include temporary delays in reimbursement, modification of the agreement including the reduction of funding, or cancellation of the project agreement.

Significant Findings Requiring Immediate Action

In the event there are serious problems or issues identified, the Project Manager will immediately notify the NOHS Administrator to determine appropriate course of action. If serious financial problems are identified, the NOHS may request a full audit be completed by an outside auditor before taking further action.

Significant findings are to be addressed immediately with a written notice to the contractor with the NOHS Administrator approval and signature.

Resolution of Repeated, More Serious and Significant Findings

Immediate actions to correct the problem will be negotiated by the Project Manager and the contractor and implemented by the contractor. The contractor will be required to submit a Corrective Action Plan (CAP) to NOHS which details how and when the identified deficiencies will be addressed and will be signed as appropriate by the parties involved. A date for an on-site follow-up review will be established and corrective action will be monitored by NOHS for compliance.

In addition, the following statement may be included in the CAP:

"NOHS has determined the contractor is 'On Notice' during Federal fiscal year (XXXX) due to the following reasons: (list applicable reason). Your agency is informed if similar failures to meet the grant requirements occur in the current fiscal year, NOHS may modify the agreement including the withholding of grant reimbursement, suspension of all or part of the grant, or cancellation of the grant as provided by 49 CFR Part 18.43. NOHS will work with your agency wherever possible to assist your agency in fulfilling the requirements of the grant agreement."

If the problems or issues cannot or have not been resolved, the following actions may be imposed by NOHS consistent with 49 CFR Part 18.43:

1. Withhold grant reimbursement – Requires the NOHS Administrator to provide written notice to the contractor's Project Director detailing the specific problems or issues, the action required to correct the situation, and applicable penalty for failure to make the correction(s).
2. Suspension of grant or part of grant – Requires the NOHS Administrator to provide written notice to the contractor's Project Director at least ten days before effective date of suspension and should include the part or activity in the grant which is being suspended and the action to be taken by the contractor to remove the suspension.
3. Cancellation of grant – (A last-resort action to be used only when a contractor or any recipient of Federal funds under the grant fails to fulfill the terms and conditions of the grant agreement in a timely and proper manner, refuses to abide by specific terms or conditions, or violates the terms of a Grant Agreement.) Requires the NOHS Administrator to provide written notice to the contractor's Project Director at least 30 days before effective date of cancellation and shall include:
 - a. Effective date of the grant cancellation.
 - b. Specific terms and/or conditions violated.
 - c. Requirement to forward to the NOHS all grant-related materials, whether or not completed.

The contractor is entitled to receive reasonable and equitable reimbursement for work satisfactorily completed. Equipment purchased with grant funds shall revert to the NOHS for disposition in accordance with 49 CFR Part 18.32.

Copies of any action involving suspension or cancellation will also be forwarded to the Regional Administrator of the NHTSA Regional Office.

Removal of "On Notice" Status

A contractor designated as "On Notice" will remain as such until NOHS has determined through a review that all deficiencies have been corrected. If all deficiencies are found by NOHS to have been corrected, the contractor will be removed from "On Notice" status at the beginning of the next fiscal year. If one or more of the initial reasons for designating the contractor as an "On Notice" is found to still exist any time during the fiscal year, the contractor will remain as an "On Notice". If a contractor is designated as an "On Notice" for a duration of six months or more during the fiscal year, NOHS will automatically place any requests by the contractor for funding in the next fiscal year within the "not to be funded" category.

Chapter 6

Fiscal Procedures

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Section 1 – Internal Procedures for Processing Contract Payments and Federal Reimbursement Vouchers

Review Process

The NOHS Project Manager reviews claims submitted by contractors for reimbursement of grant-related expenses. After review and verification, the NOHS Project Manager conducts a financial review of the claim and upon finding it accurate and appropriate proceeds to submit the claim to the NOHS Administrator for approval and then to the NOHS Accountant for payment. The NOHS Accountant performs certain required accounting actions within the NDOR Roads Payment System (RPS) and the Federal Grant Tracking System (GTS) to assist with contractor payment and the NOHS Federal reimbursement voucher submission. A similar procedure is used for the payment of invoices for NOHS internal contracts. The following two tables, NOHS External Contract Claim for Reimbursement and GTS Process and NOHS Internal Contract Payment Process, explain the steps involved in the review and processing of contractor claims. The tables are followed by additional information regarding these responsibilities.

Note: It is imperative the NOHS assign a high priority to processing claims in order for reimbursement payments to be made in a timely manner.

Note: Claims will not be approved for payment unless a progress report has been received from the contractor for the corresponding time period. **Final** claims will not be approved for payment without the receipt of the Annual Report.

NOHS External Contract Claim for Reimbursement Process

Responsible Party	Action
NOHS Staff and NOHS Accountant	<ul style="list-style-type: none">• All External Claim for Reimbursement (CR) are due to the NOHS Accountant by 15th of each month.• The NOHS Staff Assistant or NOHS Staff member date stamps all incoming CRs and distributes to the Accountant.• The Accountant reviews the CR for accuracy and compliance.• The CR is stamped with the NDOR document stamp, entered into the account payables log, and distributed to the Project Manager (PM) for review and approval.• After the PM reviews and approves the CR it is routed to the Supervisor and Administrator for review and approval.• After all approvals, the CR is returned to the Accountant.• The CR is coded, highlighted per NDOR policies and procedures and entered into the RPS.• The entered claim is forwarded to Supervisor for review and verification of entry into RPS.• Two copies of the CR are made; original to NDOR Controller and copies of the CR are attached to remainder of supporting documentation and filed in the "Pending Account Payables" file folder.• Weekly, the Accountant reviews the NDOR RPS for payment of the CR.• Once paid, the CR payment details are entered into the account payable log and entered on the copies of the CR, one copy is filed in the Accountant's file by fiscal year and vendor/contractor alphabetical order.• The second copy with supporting documentation is returned to the PM to be filed in the project file.

NOHS Internal Contract Payment Process

Responsible Party	Action
NOHS Staff and NOHS Accountant	<ul style="list-style-type: none"> • The NOHS Staff Assistant or NOHS staff member date stamps all incoming internal contract payment requests and invoices, and distributes to the NOHS Accountant. • The Accountant reviews the payment request for accuracy and compliance. • The payment request is stamped with the NDOR document stamp, entered into the account payables log, and distributed to the Project Manager (PM) for review and approval. • After the PM reviews and approves the payment request it is routed to the Supervisor and Administrator for review and approval. The PM retains a copy of the payment request and files in the project file. • After all approvals, the payment request is returned to the Accountant. • The payment request is coded, highlighted per NDOR policies and procedures and entered into the RPS. • The entered claim is forwarded to Supervisor for review and verification of entry into RPS. • One copy of the payment request is made; original to NDOR Controller and the copy of the payment request is attached to remainder of supporting documentation and filed in the "Pending Account Payables" file folder. • Weekly, the Accountant reviews the NDOR RPS for payments of the internal contract payments. • Once paid, the payment details are entered into the account payable log and filed by fiscal year and vendor/contractor alphabetical order.

NOHS Monthly Claim and GTS Process

Responsible Party	Action
NOHS Accountant	<ul style="list-style-type: none"> • At the beginning of each month, the Accountant receives a NDOR Official Billing (OB) from the NDOR Controller. • The billing is reviewed by the Accountant for accuracy and completeness. • The Accountant runs the NOHS General Ledger (GL) report from the Crystal Portal website set up by NDOR Controller. • The GL is reviewed for journal vouchers, local benefit percentage (the GL is compared to the NOHS Account Payables log for local benefit dollar amount), and accuracy against the OB. • Upon approval of the OB and GL, the Accountant matches each project's monthly billing amount to the corresponding grant project number listed on the NOHS monthly deposit log. • The deposit log auto-calculates the State's required Federal share and the accurate local benefit dollars is entered into the deposit log from each project's general ledger. • The deposit log is verified against the OB for data entry accuracy. • A GTS Advance Request is made by the Accountant for the same amount as the OB. • Once the GTS Advance Request is approved by NHTSA, the Accountant can "post" the advance. • Once the "posting" of the Advance Request has been approved by NHTSA, a GTS Reimbursement Voucher can be submitted for approval and posting. • The Reimbursement Voucher total is applied and posted to each program area listed on the GTS. • When the GTS Reimbursement Voucher has been approved and posted, the GTS Monthly Financial Report can be printed for account balance verification. • Meanwhile, the Federal NOHS Monthly Deposit Log is created, signed, copied, and the signed original is sent to Controller (be sure to get a copy of the corresponding ACH-IBT created by the Controller and forwarded to the State Treasurer). • Go into "Internal CR" Excel worksheet. • Using the current period's GL report, insert each grant's monthly expenditure total into worksheet. • Enter all totals, update worksheet and calculate internal grant total. • Print the worksheets and attach each grant's worksheet to its individual GL report for the PM. • Utilizing the NOHS Monthly Deposit Log, each project's billing expenditures are entered into NOHS's monthly grant spreadsheet. • Each grant's spreadsheet is updated, saved, and printed. • Each grant total is compared to the GTS Monthly Financial report and the NDOR Office of Highway Safety Project Status report for accuracy and project balance verification. • All paid CRs and internal contract payments listed on the NOHS official monthly billing are matched up to the matching project's GL. • All NOHS project documentation (e.g., CR and internal contract payments, GL report, and corresponding monthly grant spreadsheet) are returned to the NOHS PM for review. • The grant monthly totals are updated in the NOHS Grant Funding History report, two copies are made one for the NOHS Accountant and one for the NOHS Administrator. • File grant spreadsheet, deposit documentation, NHTSA transaction approval e-mails and Monthly Financial report, NOHS Monthly Deposit logs, NDOR official billing, NDOR Project Status report, and updated NOHS grant Funding History, and in corresponding NOHS notebooks.

Entry of State/Local Matching Share

In addition to actual costs to be reimbursed to the State, federally required soft match funds must be calculated for each claim by NOHS Accountant and entered into GTS. This calculation determines the total funds, Federal, State and Local match, which have been spent for all the National Highway Traffic Safety Administration (NHTSA) funding sources.

The NOHS established a reliable process which ensures Federal program match information entered into GTS for all traffic safety grants is based on the actual program match amounts reflected on contract vouchers submitted to NOHS for reimbursement. NOHS shall ensure actual program match amounts reported and reflected in the GTS are fully supported and documented in each individual project file. If in fact such program match amounts are insufficient to meet overall program match requirements, then NOHS shall arrange for additional sources of legitimate program match to eliminate the shortfall.

The entry of required State/Local match information into GTS should be completed at the beginning of the Federal fiscal year, and updated throughout the year when necessary, and then rechecked at fiscal year closeout.

Submission of Federal Reimbursement Voucher

The NOHS Accountant shall submit a Federal reimbursement voucher to National Highway Traffic Safety Administration (NHTSA) at least monthly and no later than the 15th of the month following the billing cycle.

NOHS shall work with the NDOR Controller division who is responsible for the State and Federal accounting and reimbursement process to ensure Federal reimbursement vouchers are complete, accurate, and in full compliance with the requirements contained in 23 CFR 1200.23 (a) and (b).

Section 2 – Federal Grant Tracking System (GTS)

The GTS is a Windows-based database program developed by NHTSA to assist States in financial management of Federal grants. GTS was designed primarily to automate the financial information process, produce the required Federal financial documents at the program area level, and electronically transmit information to NHTSA's Accounting Department.

Types of GTS Transactions

GTS handles four major types of automated transactions. Each transaction type depends on the order of completion, validity, and accuracy. These four transaction types are:

- Highway Safety Plan (HSP)
- Highway Cost Summary (HCS)
- Advance Request
- Reimbursement Voucher

Explanations of each of these transaction types follow.

- **Highway Safety Plan** – The HSP is a planning document which includes the program areas to be funded and estimates the upper most program spending limit. Therefore, it must be completed first in each fiscal year before any transactions can be processed. The user can select the program level (Program Area, Project, Tasks or Sub-Task) to enter funds depending on the degree of detail desired. The HSP entries should include estimated current year funds and carry forward funds, estimated state match and the anticipated amount to be applied for local benefit. The first HSP document needs to be approved by NHTSA and should be submitted as a part of the State's Performance Plan.
- **Highway Cost Summary** - The Highway Cost Summary (HCS) is the next step and obligates available funds for use. This process determines the Obligation Limitation in each program area created in the HSP. It is also the process that produces officially obligate funds available within the Federal computerized accounting system (DELPHI). When this step is completed, all funds should be obligated and will be ready to be claimed for reimbursement (after State and local funds are spent). Funds that are not obligated by the end of the fiscal year will be returned to the Federal government
- **Advance Request** - The Advance Request is used to request funds prior to submission of a voucher. This step electronically request claimed funds to be transferred to the State's bank, which will be used for reimbursement of highway safety projects. This is a GTS optional step that some States have elected to use.
- **Reimbursement Voucher** – The Reimbursement Voucher allows the NOHS Accountant to apply the Advance Request to NOHS program areas. Once the Reimbursement Voucher is "posted," the Reimbursement Voucher documents and tracks NOHS spending. Expenditure of funds cannot exceed the dollar balance of the funds obligated for the Program, Project, Task, or Sub-Task category. The NHTSA Regional Office must approve vouchers.

Voucher reductions can also be entered just like a Reimbursement Voucher, except the amount entered will be a credit entry only.

GTS Reports

A variety of GTS reports are available to streamline the State's fiscal management process and reduce the workload associated with meeting Federal reporting requirements. These reports are:

- **HSP Transactions** - This report itemizes all Highway Safety Program (HSP) transactions, provides detailed information on Federal funds, and assists in determining data entry errors.
- **HSP Cost Summary** - This report reflects detailed information by project, program area, specific funding sources sub-totaled by NHTSA section 402 or 410, or other incentive funds. The format of this report replicates the Federal HS-217 Cost Summary Form and shows the increase or decrease for each program area. This report can be printed in detail, showing each project or task, or summarized by program level amounts only.
- **HSP Approved Program Amounts** - This report details the same information as the HSP Cost Summary report but does not report the decrease or increase for each program area.
- **HCS Obligation Transaction** - This report lists all the transactions that were entered in the Obligation section. This report can assist in determining entry errors, or can be utilized as supporting documentation for data entry.
- **Highway Cost Summary Obligation Cost Summary** - This report is strictly for Obligation purposes. The report format replicates the HS-217 Cost Summary Form and shows the increase or decrease for each program area. It can be printed in detail to reflect each project or task, or summarized to show program level amounts only.
- **Voucher Transactions** - This report details all voucher transactions.
- **Status of Obligations and Expenditures** - This report is for information purposes only and shows the unobligated and unexpended amounts for each program area.
- **Status of Current and Carry Forward Funds** - This report separates the obligations, expenditures, and unexpended funds by current fiscal year and by carry-forward (from previous years). This report also shows Federal share-to-local benefit, and State and local expenditures.

Electronic Transfer of Funds

Within 7-10 business days of approval of the Advance Request by the NHTSA Regional Office, funds are electronically transferred from NHTSA to the State Treasury.

Section 3 – Matching Funds

“Soft” match is defined as State and local funds that are expended in support of other qualifying traffic safety programs which have not been utilized by another Federal, State, or local agency as matching funds for a separate Federal project.

As provided in the [NHTSA Highway Safety Grant Funding Policy for Field-Administered Grants](#), (the most recent version should be checked on the Internet), the required State soft match amount is calculated as a percentage of the total (Federal and State) program costs. NOTE: Those States affected by nontaxable Indian lands, Public Domain lands, National Forest, National Parks and Monuments that qualify for “Sliding Scale Matching Rates” should refer to [NHTSA Order 462-6C Matching Rates for State and Community Highway Safety Programs](#).

NOHS is responsible for calculating, documenting, and recording required soft match by program. Special attention should be paid to unique requirements of specific programs. Written documentation of soft match must be on file and updated annually. The match funds must relate to the program type of the funding source (i.e. funds used to support impaired driving-related programs must be used to meet Section 410 match requirements). Section 402 soft match dollars may have a general traffic safety purpose. For all soft match funds identified and documented by the NOHS other program (Federal, State, or local) may utilize the same dollars as program match.

Section 402 & 2003(b) (Including Section 157 Incentive designated as 402 funds)

- Federal share is not to exceed 80%.
- No match is required for U.S. Territories or for the Indian Highway Safety Program.

TEA21 - Sections 405, 410, & 411 (including Section 157 Incentive designated as 405, 410, or 411 funds)

- Federal share is not to exceed 75% the first and second years.
- Federal share is not to exceed 50% the third and fourth years.
- Federal share is not to exceed 25% the fifth year and beyond (where applicable).
- No match is required for U.S. Territories or for the Indian Highway Safety Program.

Sections 154 & 164 funds Transferred to the Section 402 Program

- No match is required.

Section 163

- No match is required.

Section 157 Innovative

- No match is required.

SAFETEA-LU, Section 405 Occupant Protection Incentive Grants: A State may receive a grant in a fiscal year subject to the following limitations:

1. Beginning in fiscal year 2006, the amount of a grant under §1345.5 shall equal up to 100 percent of the State's 23 U.S.C. 402 apportionment for fiscal year 2003, subject to availability of funds.
2. In the first and second fiscal years beginning after September 30, 2003, a State receives a grant, it shall be reimbursed for up to 75 percent of the cost of its occupant protection program adopted pursuant to 23 U.S.C. 405.

3. In the third and fourth fiscal years beginning after September 30, 2003, a State receives a grant, it shall be reimbursed for up to 50 percent of the cost of its occupant protection program adopted pursuant to 23 U.S.C. 405.
4. In the fifth and sixth fiscal years beginning after September 30, 2003, a State receives a grant, it shall be reimbursed for up to 25 percent of the cost of its occupant protection program adopted pursuant to 23 U.S.C. 405.

SAFETEA-LU, Section 410 Alcohol Impaired Driving: The fiscal year Federal share of the cost of implementing and enforcing a program adopted by a State pursuant to paragraph (1) shall not exceed:

1. In each of the first and second fiscal years in which the State receives a grant under this section, 75 percent.
2. In each of the third and fourth fiscal years in which the State receives a grant under this section, 50 percent.
3. In each of the fifth and sixth fiscal years in which the State receives a grant under this section, 25 percent.

SAFETEA-LU, Section 408 Traffic Safety Information Systems: The fiscal year Federal share of the cost of adopting and implementing a State program described in subsection (a) may not exceed 80 percent.

Summary of NHTSA Grant Fund Requirements for SAFETEA-LU and TEA-21 Programs

Program Area	State Match	Planning & Administration	Local Use	Miscellaneous Information
Section 402	20% of total program costs; Exception: Select States use a sliding scale for State Match; Exempt: Indian Nations & Territories	Ceiling: P & A funds restricted to 10% of federal funds received annually; Note – Indian Nations restricted to 5% administrative takedown. Match: 50% hard match; Exception - Select States use a sliding scale for State Match; Exempt - Indian Nations & Territories	At least 40% of Federal funds spent by locals or designated as the benefit of locals; Exempt: DC, Puerto Rico. Note: Indian Nations and Territories A total of 95% of federal funds must be spent for local benefit/participation of Indian tribes.	
Section 405 - K2 SAFETEA-LU	25% 1 st - 2 nd yr. 50% 3 rd - 4 th yr. 75% 5 th - 6 th yr. (of total program cost) *Beginning in FY04 for States awarded TEA-21 405 funds in FY03 and FY04. Exempt: Territories	None	None	State will maintain its aggregate expenditures from all other sources for occupant protection programs at or above the average level of expenditures for FYs 2004 & 2005

Section 406 – K4 SAFETEA-LU	None	Ceiling: P & A funds restricted to 10% of federal funds received annually; Match: None required.	None	At least \$1 million of grant funds received by each State must be obligated for behavioral highway safety activities.
Section 408 – K9 SAFETEA-LU	20% of total program costs; Exempt: Territories	None	None	State will maintain its aggregate expenditures from all other sources for highway safety data programs at or above the average level of expenditures in its 2 fiscal years preceding the date of enactment of SAFETEA-LU.
Section 410 – K8 SAFETEA-LU	25% 1 st - 2 nd yr. 50% 3 rd - 4 th yr. 75% 5 th - 6 th yr. (of total program costs); Exempt: Territories	Ceiling: P & A funds restricted to 10% of Federal funds received annually; Match: 50% hard match; Exception Select States use a sliding scale for State Match; Exempt - Territories	None	State will maintain its aggregate expenditures from all other sources for alcohol traffic safety programs at or above the average level of such expenditures in its 2 fiscal years preceding the date of enactment of SAFETEA-LU.
Section 1906 – K10 SAFETEA-LU	20% of total program costs Exempt: Indian Nations & Territories	None	None	
Section 2010 – K6 SAFETEA-LU	None	None	None	State will maintain its aggregate expenditures from all other sources for motorcyclist safety training programs and motorcyclist awareness programs at or above the average level of such expenditures in its 2 fiscal years preceding the date of enactment of SAFETEA-LU.

Section 2011 – K3 SAFETEA-LU	25% 1 st – 3 rd yr. 50% 4 th yr.	None	None	State will maintain its aggregate expenditures from all other sources for child safety seat and children restraint programs at or above the average level of such expenditures in its 2 fiscal years preceding the date of enactment of SAFETEA-LU. Child Safety seat purchases limited to 50% of annual award.
Section 154 & 164 Transfer AL – Open Container & Repeat Offender Funds HE – Open Container & Repeat Offender Funds TEA-21	None	Ceiling: P & A funds restricted to 10% of Federal funds received annually; Match: None required	AL: At least 40% of Federal funds spent by locals or designated as the benefit of locals; Exempt: DC, Puerto Rico & HE – Open Container & Repeat Offender Funds	AL – Alcohol funds take on the characteristics of Section 402 funds and HE – Hazard Elimination funds take on the characteristics of FHWA's Section 148 funds.
Section 157 Incentive Funds designated as a Section 402 program TEA-21	20% of total program costs;	Ceiling: P & A funds restricted to 10% of Federal funds received annually; Match: 50% hard match; Exception – Select States use a sliding scale for State Match.	At least 40% of Federal funds spent by locals or designated as the benefit of locals; Exempt: DC & Puerto Rico	These funds take on the characteristics of the Section 402 funds.
Section 157 Incentive Funds designated as a Sections 405, 410, or 411 TEA-21	25% 1 st - 2 nd yr. 50% 3 rd - 4 th yr. 75% 5 th - 6 th yr. (of total program costs);	None	None	These funds take on the characteristics of the Section 402 funds.

Section 163 designated as Section 402 program TEA-21	None	Ceiling: P & A funds restricted to 10% of Federal funds received annually; Match: None required	At least 40% of Federal funds spent by locals or designated as the benefit of locals; Exempt: DC & Puerto Rico	These funds take on the characteristics of Section 402 funds. These funds are retained by FHWA and accounted for by the State's Highway agency and specific codes: <u>QN1</u> for NHTSA highway safety programs and <u>QO8</u> for Federal-Aid highway type programs have been established to allow for separate accountability.
Section 163 designated as Sections 405, 410, or 411 TEA-21	None	None	None	These funds take on the characteristics of the program the funds in which they are used. These funds are retained by FHWA and accounted for by the State's Highway agency and specific codes: <u>QN1</u> for NHTSA highway safety programs and <u>QO8</u> for Federal-Aid highway type programs have been established to allow for separate accountability
Section 405 – J2 TEA-21	25% 1 st - 2 nd yr. 50% 3 rd - 4 th yr. 75% 5 th - 6 th yr. (of total program costs); Exempt: Indian Nations & Territories	None	None	State will maintain its aggregate expenditures from all other sources for occupant protection programs at or above the average level of expenditures for FYs 1996 & 1997.
Section 410 – J8 TEA-21	25% 1 st - 2 nd yr. 50% 3 rd - 4 th yr. 75% 5 th - 6 th yr. (of total program costs); Exempt: Indian Nations & Territories	None	None	State will maintain its aggregate expenditures from all other sources for alcohol traffic safety programs at or above the average level of expenditures for FYs 1996 & 1997.

Section 411 – J9 TEA-21	25% 1 st - 2 nd yr. 50% 3 rd - 4 th yr. 75% 5 th - 6 th yr. (of total program costs); Exempt: Indian Nations & Territories			State will maintain its aggregate expenditures from all other sources, except those authorized under Chapter 1 of Title 23 of the United States Code , for highway safety data and traffic records programs at or above the average level of expenditures for FYs 1996 & 1997.
Section 2003B – J3 TEA-21	20% of total program costs; Exempt: Indian Nations & Territories	None	None	
Section 153 Transfer Pre-TEA-215	None	Ceiling: P & A funds restricted to 10% of federal funds received annually; Condition: Cannot be used unless 10% 402 PA is obligated. Match: None required.	At least 40% of Federal funds spent by locals or designated as the benefit of locals; Exempt: DC & Puerto Rico	

Section 4 - Allowable Costs

49 CFR Part 18.22 of the "Uniform Administrative Requirements for Grants and Cooperative Agreements" provides the following:

- a. Limitation on use of funds; grant funds may be used only for:
 - The allowable costs of the grantees, sub-grantees and cost-type contractors, including allowable costs in the form of payments to fixed-price contractors; and
 - Reasonable fees or profit to cost-type contractors but not any fee or profit (or other increment above allowable costs) to the grantee or sub-grantee.
- b. Applicable cost principles. For each kind of organization there is a set of Federal principles for determining allowable costs. Allowable costs will be determined in accordance with the cost principles applicable to the organization incurring the costs. The following table lists the kinds of organizations and the applicable cost principles.

Applicable Federal Cost Principles by Organization Type

For the costs of a --	Use the principles in --
State, Local or Indian tribal government	2 CFR Part 225 (OMB Circular A-87).
Private nonprofit organization other than an (1) institution of higher education, (2) hospital, or (3) organization named in OMB Circular A-122 as not subject to that circular.	2 CFR Part 230 (OMB Circular A-122).
Educational institutions	2 CFR Parts 215 and 220 (OMB Circular A-21).
For-profit organization other than a hospital and an organization named in OMB Circular A-122 as not subject to that circular	48 CFR Part 31. Contract Cost Principles and Procedures, or uniform cost accounting standards that comply with cost principles acceptable to the Federal agency.

2 CFR Part 225 - OMB Circular No. A-87

[2 CFR Part 225 "Cost Principles for State, Local and Indian Tribal Governments" \(OMB Circular A-87\)](#) establishes principles for determining the allowable costs incurred by State, local, and federally-recognized Indian tribal governments (governmental units) under grants, cost reimbursement contracts, and other agreements with the Federal Government. The NOHS reimburses contractors for all costs incurred under the grant agreement subject to these cost principles. The NOHS must also comply with these cost principles when submitting requests for cost reimbursement through the NOHS internal grants.

Appendix A of A-87, General Principles for Determining Allowable Costs, provide principles to be applied in establishing the allowability or unallowability of certain items of cost. **Note:** Failure to mention a particular item of cost in these sections is not intended to imply it is either allowable or unallowable; rather, determination of allowability in each case should be based on the treatment or standards provided for similar or related items of cost.

NHTSA Grant Funding Policy - Allowable and Unallowable Costs

The [NHTSA Highway Safety Grant Funding Policy for Field-Administered Grants](#) Part II. Allowable Costs under "Specified Conditions or Limitations for Selected Items" and Part III. "Unallowable Costs for Selected Items" are available on line and should also be consulted. These provisions state costs which are allowable under specified conditions. In the event of a conflict between this section and OMB Circular A-87, A-21, A-122, or 45 CFR, Subtitle A - Appendix E to Part 74, the provisions of the applicable Circular will be controlling (except where inconsistent with statute). See below for the topic areas included in Parts II and III.

Part II. Allowable costs under specific conditions or limitations for selected items:

- Equipment
- Travel
- Training
- Program Administration (Consultant services, promotional activities, purchase of alcohol [also see Part III, D.4.], but in no case for consumption, in "compliance check" type operations as long as the operations are not in conflict with any Federal, State or local law, meetings and conferences.)
- Public Communications (Advertising Space)

Part III. Unallowable costs for selected items:

- Facilities and Construction
- Equipment
- Training
- Program Administration (Supplanting, research, alcoholic beverages, entertainment, commercial driver.)
- Lobbying

Section 6 - Single Audit Procedures – Federal A-133 Requirements

The basic directive pertaining to the audit of State and local governments, institutions of higher education, and other non-profit organizations is the Office of Management and Budget (OMB) revised Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations." Circular A-133 implements the Single Audit Act amendments of 1996 and provides uniform single audit requirements for all non-Federal grantees including State and local governments, colleges and universities, hospitals, and other non-profit organizations. This Circular, which was issued June 30, 1997, applies to audits of fiscal years beginning after June 30, 1996, and supersedes prior versions of Circular A-133, as well as, rescinding Circular A-128, "Audits of State and Local Governments."

Contractors expending \$500,000 or more in Federal awards from all sources must complete and submit an A-133 audit. NOHS shall determine whether the audit meets the requirements of [OMB Circular A-133](#) and shall issue a management decision on audit findings within six months after receipt of the contractor's audit report. NOHS shall ensure contractors take appropriate and timely corrective action in addressing audit findings.

NOHS includes a standard requirement in all contract agreements that describe the conditions that are subject to an A-133 audit or review. The requirement states contractors must submit copies of any audits and review reports which they have had prepared to the NOHS for informational purposes if requested regardless of whether the A-133 criteria for audit or review are met.

The NOHS must establish a process to ensure that copies of all audits and other review reports pertaining to contractors are received and reviewed to determine the potential existence of findings that may require appropriate and timely corrective action. The NOHS Accountant shall access at least quarterly the [Single Audit Database](#) maintained on line by the Federal Audit Clearinghouse to determine whether audits for any current contractors have been posted.

The single audit concept provides recipients of Federal funds to use their own procedures to arrange for independent audits that are to be made on an organization-wide basis, rather than on a grant or project basis. If this organization-wide audit complies with the specific requirements of OMB Circular A-133, then no additional audit requirements are normally imposed and all grantor agencies will rely on such audits.

Chapter 7

Annual Report (AR)

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Section 1 – Overview

The NOHS is responsible for submitting the AR to the NHTSA Regional Office. The report describes the accomplishments of the NOHS. The report is due within 90 days after the end of each Federal fiscal year (December 31).

The Regional Office utilizes a standard checklist to review the AR and provides a formal review letter to the NOHS. The review ensures the NOHS adequately follows specified requirements and procedures in developing the plan, and compares the goals and performance measures in the Plan to the AR and the most recently available data to measure State safety performance progress.

Section 2 – Federal Requirements

Required Annual Report Contents

As prescribed in [23 CFR Part 1200.33, Uniform Procedures for State Highway Safety Programs](#), the AR must include the following:

- The State's progress in meeting its highway safety goals using performance measures identified in the Performance Plan. Both baseline and most current level of performance under each measure will be given for each goal.
- How the projects and activities funded during the fiscal year contributed to meeting the State's highway safety goals.

The AR is also required to include a copy of the NOHS Financial Obligation Closeout summary, Form HS-217, for the fiscal year.

Progress Report

The NOHS compiles the information contained in the contractors' Annual Reports, year-end statistics, and other pertinent information. The AR progress report section includes:

- An overview of the State's crash data, statewide highway safety accomplishments, and challenges.
- Crash data and trends.
- Performance goals and trends.
- A summary report by program area describing the results of the completed projects and including a synopsis of:
 - problem statement,
 - objectives,
 - strategies,
 - results,
 - future strategies,
 - funding source.
- Future plans.
- Any program income earned or used.
- Significant legislative and administrative accomplishments.

Financial Obligation Closeout Summary

The financial obligation closeout is a final accounting of all NOHS expenditures for the year. As required in the 23 CFR Subpart D – Closeout and Part 1200.23, the financial obligation closeout will include a copy of the final official voucher for total expenses incurred. The following information for expenses claimed in each program area will be identified as follows:

- Program area or project number.
- Federal funds obligated.
- Amount of Federal funds allocated to local benefit.
- Cumulative total cost to date.
- Cumulative Federal funds expended.
- Previous amount claimed.
- Amount claimed this period.
- The final Highway Safety Program Cost Summary, (HS 217).

The NOHS Accountant is responsible for completing the final NHTSA Form HS 217, or its electronic equivalent, and submitting it to the NOHS Administrator for signature prior to transmittal of the form to NHTSA for approval by December 31 each year.

Additional Contents

- Cover page containing the State, Governor's name, Governor's Highway Safety Representative, NOHS Administrator, and location of the NOHS including contact information (name, address, phone, fax, email).
- Table of Contents.
- Executive/Legislative summary.
- Statewide program overview including information on the Highway Safety Programs and who is involved with administering the programs.
- Data is in easy to read format such as charts, graphs, or columns showing performance measures and results, and highlighting key information and special selections.
- Analysis of key projects describing how they contributed to meeting the State's highway safety goals.
- Fiscal overview of obligations & expenditures by program areas with graphs and charts.
- List of traffic safety partners and/or groups used in the programs.
- Future goals to be reached or targeted (National and/or Statewide).

Section 3 – Governors Highway Safety Association Template

The GHSA is proactive in providing planning tools for the States. The first GHSA sponsored initiative was a “template” to standardize the ARs. The purpose of developing consistency in the reporting process used by the States is to facilitate report development. A single set of well-defined data and program elements reduces the burden associated with developing this report for most States. In addition, consistency allows GHSA to create summary reports for presentation to Congress, government agencies, GHSA members, the media, and other interested stakeholders.

[GHSA Excel and Word templates](#) are available and can be downloaded from the GHSA website Projects and Activities page, Planning Tools. The Excel template will capture traffic crash and financial data and the Word template provides space for the narrative sections of the report.

The following nine steps are outlined in the GHSA template:

1. Data Entry
2. Performance Goals, Trends, and Graphs
3. Financial Summary
4. Program Reports
5. Noteworthy Practices
6. Looking to the Future
7. Printing
8. Printing AR Template Narrative
9. Assembling Document

The NOHS AR utilizes the performance goals, trends, and graphs provided in the GHSA AR template. GHSA has asked the States to provide the following information to them annually: the State’s performance goals, trends, and graphs based upon the GHSA Template. Although States are encouraged to review the GHSA Template and utilize this resource actively, use of the Template in preparing the State’s AR is not mandatory.

Section 4 – Annual Report Development Process Calendar

The NOHS develops the AR in accordance with a schedule of activities and assigned responsibilities to assure completion of the AR by the NHTSA deadline. The following table illustrates the AR development process within the NOHS.

Annual Report Development Process Calendar

Timeline	Activity	Responsible HSO Staff
October - November	Review contracts, NOHS progress, and monitoring reports to identify significant highlights/accomplishments. Develop overview. Develop crash data and trends. Analyze performance goals and trends. Review contractor Annual Reports and develop a summary for each Program Area: <ul style="list-style-type: none"> • problem identification, • objectives, • strategies, • results, • future strategies, and • funding source. 	NOHS Staff
December	Develop future plans. Identify program income. Identify significant legislative and administrative highlights.	NOHS Staff
December	Produce final Financial Obligation Closeout (HS-217) and obtain NOHS Administrator approval.	NOHS Accountant
December	Assemble AR components for final review and approval by NOHS Administrator.	NOHS Staff
December 31	Submit final AR to NHTSA Regional Office.	NOHS Administrator
January 1	Distribute copies of AR to the NOHS e-mail list including State and Congressional legislators and post on the NOHS website.	NOHS Administrator

Chapter 8

Closeout

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Section 1 – Overview

Grant and the Federal fiscal year closeout activities begin when all required progress reports, annual reports, and final invoices have been received from contractors by the NOHS.

When final claims are processed, the Department procedures for submittal of the final Federal reimbursement voucher must be followed. Included in this process is the final determination of the amount of program funds actually expended and the under run amount which is available for carry forward to the new program year.

Part of this process also involves the final determination of the amount of Federal funds expended for local benefit (40 percent minimum required) and the State and local match to the program met or exceeded the minimums based on the Federal funding source requirements.

Section 2 – Deadlines

The NOHS must submit the State's final billing for the closing grant year to NHTSA by December 31.

In order to meet this deadline, all final project claims for reimbursement must be received by the NOHS from contractors by November 15 and be entered for payment into the NDOR RPS. Any invoices received from contractors after November 15 **cannot** be processed or approved for payment with Federal funding. All grant-related records shall be retained for at least three years from the date the final voucher is submitted to NHTSA.

Special circumstances may be brought to the attention of the NHTSA Regional Administrator at the discretion of the NOHS Administrator, however, it is expected this would occur very rarely.

Section 3 – Federal Grant Tracking System Closeout Process

The NOHS Voucher Process for project closeout and final reimbursement is as follows:

The actions for processing the final Claim for Reimbursement for External Contracts; and, the actions for processing the final payment requests for Internal Contracts are the same processes outlined in Chapter 6, Section 1.

NOHS Closeout Process

Responsible Person	Action
NOHS Staff	<ul style="list-style-type: none">• Reviews to ensure compliance with grant contract and receipt of contractor's Annual Report.
NOHS Accountant	<ul style="list-style-type: none">• Determines all final invoices have been received for the grant year (October 1 – September 30). Fiscal year invoice receipt deadline is November 15.• Submits invoices for final payment as outlined in Chapter 6, Section 1.• Determines the final required State matching shares and 40 percent benefit to locals amount and transmits information.• Notifies the NOHS Administrator of the amount of known carry forward funds by funding source, if any, for obligating in the next fiscal year.• Conducts standard invoice payment reconciliation processes.• Enters final invoice postings to the GTS.• Works with the NOHS staff to check accuracy of information and enters required State matching share and 40 percent benefit to locals to GTS.• Closes out the NOHS fiscal year.

In addition to actual costs to be reimbursed to the State, the State's share of matching funds must be finally calculated based on the final expenditures and entered into the GTS. This calculation determines the total funds, Federal and State matching, which have been spent for NHTSA funding sources.

Section 4 – Grant File Closeout

After the final Federal reimbursement voucher for the grant year has been submitted, the NOHS closes out each project file for that fiscal year. The NOHS staff is responsible for completing the grant file closeout. Each file will be reviewed for completeness, accuracy of filing, and resolution of any pending matters.

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Appendix A – Federal Regulations, Documents, and Guidelines

The following regulatory items govern the daily administration of traffic safety grants at the State level. Administrators of traffic safety grants should be familiar with and follow each cited title and rule to effectively design and manage programs. Many of these items are cited within this Manual.

Caution! Federal guidance and regulations may change. To ensure the most recent version is being utilized, it is recommended that the reader view the regulations on-line.

The [NHTSA Highway Safety Grant Management Manual](#) is an important resource which should be checked regularly for updates. The Manual is available on the Internet. Each item detailed below is available on-line in the Grant Management Manual.

Covering All Traffic Safety Grants

Title	Revisions as of Date
"Highway Safety Grant Funding Policy for NHTSA/FHWA Field-Administered Grants"	7/2007
2 CFR Part 225 - OMB Circular A-87 (revised) – Cost Principles for State, Local, and Indian Tribal Governments	7/24/2007
49 CFR Part 18 — DOT Implementation of Common Grant Rule: "Uniform Administrative Requirements For Grants and Cooperative Agreements to State and Local Governments" (see the following discussion of "The Common Rule.")	10/1/1999
State Certifications and Assurances Statements	8/2005

Guidelines Regarding Grants and Contracts

Title	Revisions as of Date
Program Guidelines — "Uniform Guidelines for State Highway Safety Programs"	1/18/2007
Grant Program Forms: Highway Safety Program Cost Summary	4/27/2005
Federal-Aid Reimbursement Voucher	9/30/2000
Request for Funds	9/20/2000
Sec. 153 Transfer Funds - NHTSA/FHWA Guidance	7/19/1994
Sec. 154/164 Guidance — Concerning TEA-21 Transfer Funding programs	3/31/2000
Sec. 154/164 — Frequently asked Questions and Answers	July 2000
Sec. 157 Incentive Fund Program Accounting Guidance	1/22/1999
Sec. 157 Innovative Announcement of Discretionary Grants to Support Innovative Seat Belt Projects	6/1/2001
Sec. 163 (.08) Funds Accounting Guidance — Amended	11/20/1998
NHTSA/FHWA RR Grade Crossing Guidance	11/4/1994
Sec. 402 Safe Community Guidance	1/22/1996
Sec. 402 Youth Set-Aside Guidance	3/7/1996
Sec. 402 Advertising Space Guidance from NHTSA	2/06/2007

Sec. 406 Safety Belt Performance Grants Implementing Guidance	1/25/2006
Sec. 408 State Traffic Safety Information System Improvements Grants Implementing Guidance	2/2/2006
Section 1906 Incentive Grant Program to Prohibit Racial Profiling – Implementing Guidance	2/2/2006
Sec. 2003(b) Announcement on Child Passenger Protection Education Grants	12/31/2001
Lobbying Guidance — Lobbying Restrictions	4/30/2004
NHTSA Logo Guidance	1/18/2000

Covering Section 402 Grants

Title	Revisions as of Date
Sec. 402 Legislation	6/9/1998
23 CFR Part 1200 – Uniform Procedures for State Highway Safety Programs	7/24/2007
23 CFR Part 1205 – Highway Safety Programs: Determination of Effectiveness	7/24/2007
23 CFR Part 1206 – Rules of Procedure for Invoking Sanctions Under the Highway Safety Act of 1966	7/24/2007
23 CFR Part 1250 – Political Subdivision Participating in State Highway Safety Programs – 40% Benefit to Locals	7/24/2007
23 CFR Part 1251 – State Highway Safety Agency	7/24/2007
NHTSA Order 462-6C- Matching Rates for State and Community Highway Safety Programs	11/30/1993

Covering SAFETEA-LU Incentive Grants

Title	Revisions as of Date
23 USC - Sec. 405 SAFETEA-LU Legislation – Occupant Protection Incentive Grants	8/10/2005
23 CFR Part 1345 – Incentive Grant Criteria for Occupant Protection Programs	12/30/2005
23 USC – Sec. 406 Safety Belt Performance Grants	8/10/2005
23 USC – Sec. 408 State Traffic Safety Information System Improvement Grants	8/10/2005
23 USC – Sec. 410 Alcohol-Impaired Driving Countermeasures	8/10/2005
23 CFR Part 1313 Incentive Grant Criteria for Alcohol-Impaired Driving Prevention Programs	4/21/2006
23 USC – Sec. 1906 Incentive Grant Program to Prohibit Racial Profiling	8/10/2005
23 CFR Part 1350 Incentive Grant Criteria for Motorcyclist Safety Grants	7/19/2006
23 USC – Sec. 2010 Motorcyclist Safety Grants	8/5/2006
23 USC – Sec. 2011 Child Safety and Child Booster Seat Incentive Grants	8/10/2005

Covering Transfer Funds

Title	Revisions as of Date
23 USC – Sec. 153 Use of Safety Belts and Motorcycle Helmets	11/28/1995
23 CFR Part 1215 – Use of Safety Belts – Compliance and Transfer of Funds Procedures	6/6/1996
23 USC – Sec. 154 Open Container Legislation	7/22/1998
23 CFR Part 1270 Open Containers Laws	8/24/2000
23 USC – Sec. 164 Minimum Penalties for Repeat Offenders for Driving While Intoxicated or Driving Under the Influence	7/22/1998
23 CFR Part 1275 Repeat Intoxicated Driver Laws	10/4/2000

Covering TEA-21 Incentive Funds

Title	Revisions as of Date
23 USC – Sec. 157 Safety Incentive Grants for Use of Seat Belts	6/9/1998
23 CFR Part 1240 Safety Incentive Grants for Use of Seat Belts – Allocation Based on Seat Belt Use Rates	10/29/1998
23 CFR Part 1240 Uniform Criteria for State Observational Surveys of Seat Belt Use	4/13/2000
Announcement of 157 Innovative Grants for Seat Belt Projects	6/2001
23 CFR Part 1225 Operation of Motor Vehicles by Intoxicated Persons	11/28/2003
Sec. 351 Transportation Appropriations Act for FY2001 – Public Law 106-346	10/23/2000
23 USC – Sec. 405 Occupant Protection Incentive Grants	6/9/1998
23 CFR Part 1345 Incentive Grant Criteria for Occupant Protection Programs	7/26/2001
23 USC – Sec. 410 Alcohol-Impaired Driving Countermeasures (TEA21)	6/8/1998
23 CFR Part 1313 Incentive Grant Criteria for Alcohol-Impaired Driving Prevention Programs	7/28/2000
23 USC – Sec. 411 State Highway Safety Data Improvements	6/9/1998
23 CFR Part 1335 State Highway Safety Data Improvements	9/11/2000
Section 2003(b) TEA-21	6/9/2000
2003(b) Announcement – Child Passenger Protection Education Grants	12/31/2001

Covering Funding for Universities, Hospitals and other Nonprofit Organizations

Title	Revisions as of Date
2 CFR Part 215 - OMB Circular A-110 — “Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, and Other Nonprofit Organizations”	1/1/2006
2 CFR Parts 215 and 220 “Cost Principles for Institutions of Higher Education”	8/31/2005
2 CFR Part 230 “Cost Principles for Non-profit Organizations”	8/31/2005
45 CFR Subtitle A – Appendix E to Part 74 – Principles for Determining Costs Applicable to Research and Development Under Grants and Contracts with Hospitals	10/1/1999

Appendix B – OMB Circulars

Office of Management and Budget (OMB) circulars are frequently used reference materials in administering grants. The following table lists OMB circulars applicable to the HSO program:

OMB Circulars Applicable to the Traffic Safety Program

Document Title	Revisions as of Date
OMB Circular A-21 — 2 CFR Part 220 "Cost Principles for Institutions of Higher Education"	8/31/2005
OMB Circular A-87 — 2 CFR Part 225 "Cost Principles for State, Local and Indian Tribal Governments"	7/24/2007
OMB Circular A-110 — 2 CFR Part 215 "Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, and Other Nonprofit Organizations"	1/1/2006
OMB Circular A-122 — 2 CFR Part 230 "Cost Principles for Non-Profit Organizations"	7/24/2007
OMB Circular A-133 — "Audits of States, Local Government, and Non-profit Organizations"	6/27/2003
OMB Circular A-102 — 49 CFR Part 19 — "Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals and Other Non-profit Organizations"	10/1/2005

Appendix C. HSPP Program Area Accounting Code Designators

Funding Source	Program Code	Program Area
NHTSA 402		
	PA	Planning and Administration
	AL	Alcohol
	EM	Emergency Medical Services
	MC	Motorcycle Safety
	OP	Occupant Protection
	PS	Pedestrian/Bicycle Safety
	PT	Police/Traffic Services
	TR	Traffic Records
	DE	Driver Education
	SA	Safe Communities
	SB	School Bus
405 Occupant Protection		
	J2	Occupant Protection
	J2PM	Paid Media
405 OP SAFETEA-LU		
	K2	Occupant Protection
	K2PM	Paid Media
NHTSA 406		
	K4	Safety Belts Incentive
	K4PM	Safety Belts Paid Media
408 Data Program SAFETEA-LU		
	K9	Data Program Incentive
410 Alcohol SAFETEA-LU		
	K8	Alcohol SAFETEA-LU
	K8PA	Alcohol Planning and Administration
	K8PM	Alcohol SAFETEA-LU Paid Media
411 Data Program		
	J9	Data Program
2003B Child Pass. Protection		
	J3	Child Pass. Protection
2010 Motorcycle Safety		
	K6	Motorcycle Safety Incentive
2011 Child Seats		
	K3	Child Seat Incentive
157 Incentive Funds		

	157AL	Alcohol
	157PT	Police Traffic Services
	157TR	Traffic Records
154 Transfer Funds		
	154PA	Planning and Administration
	154AL	Alcohol
	154PM	Paid Media
163 Impaired Driving		
	163ID	Impaired Driving Mobilization 2004
	163DM	Impaired Driving Mobilization 2005

Appendix D. Grant Contract Claim for Reimbursement

Grant Contract Claim for Reimbursement



Nebraska Office of Highway Safety - NDOR
P.O. Box 94612, Lincoln, NE 68509-4612
(402) 471-2515 FAX: (402) 471-3865

Contractor:	Telephone:	Contract #:
Contract Title:	Month of Expenditures:	Final Claim <input type="checkbox"/>

NOHS USE ONLY

	Federal Share
Total Expenditures	
Program Income	
Net Amount	

PROJECT FINANCIAL SUMMARY

Current Month Expenditure	Previous Months Expenditures	Total Expenditures to Date

NOTE: Supporting documentation for all expenditures above must be attached.

CERTIFICATION:

I hereby certify the foregoing document is consistent with the terms of the grant contract and is a true and accurate accounting of the expenditures.

Signature of Project Director

Signature of Authorized Official

Type/Print Name and Title

Type/Print Name and Title

Date

Date

NOHS USE ONLY

Total Reimbursement	
Project Manager Review Initial/Date	
Supervisor Review Initial/Date	
Administrator Review Initials/Date	
Local %	
Accountant Date Paid/Initial	
Warrant #	

NDOR DOC#	
AB#	
TRANS	OE
ACTIVITY	ACCOUNT
NIGP	DATE
APPROVED (PRINT NAME) Fred E Zwonechek	
APPROVED SIGNATURE	
NOHS Project	Amount:

Distribution: Original to NOHS
Make Copy for Your File

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Appendix E. Mini-Grant Contract Claim for Reimbursement

Mini-Grant Contract Claim for Reimbursement



To: Nebraska Office of Highway Safety - NDOR P.O. Box 94612, Lincoln, NE 68509-4612 Telephone No.: 402-471-2515 FAX: 402-471-3865	Date:
--	--------------

From: Agency: Address: City, State, Zip: Telephone No.: Contact Person: E-Mail:	Invoice Number:
	Project Number:

REIMBURSEMENT REQUEST

Description			Amount
NOTE: To process this reimbursement all supporting documentation listed on the Mini-Grant Contract must be attached.			Total

Current Claim Amount	Previous Claim Total <small>*Only use if previous claim has been made on this project.</small>	Total Claim to Date

CERTIFICATION

I hereby certify the foregoing document is consistent with the terms of the mini-grant and is a true and accurate accounting of the expenditures.

Signature of Authorized Official	Type/Print Name and Title	Date
----------------------------------	---------------------------	------

NOHS USE ONLY

Total Reimbursement	
Project Manager Review Initial/Date	
Supervisor Review Initial/Date	
Administrator Review Initial/Date	
Local %	
Accountant Date Paid/Initial	
Warrant #	

NDOR DOC#	
AB#	
TRANS	OE
ACTIVITY	ACCOUNT
NIGP	DATE
APPROVED (PRINT NAME)	Fred E Zwonechek
APPROVED SIGNATURE	
NOHS Project:	Amount:

Distribution: Original to NOHS
Copy for Your File

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Appendix F. Grant Contract Proposal Review Form

NEBRASKA OFFICE OF HIGHWAY SAFETY GRANT CONTRACT PROPOSAL APPLICATION REVIEW FORM

Reviewer's Name:		Date:	
Project Title:			
Agency:			
Emphasis Area(s): ALCOHOL SPEED OCCUPANT PROTECTION YOUTH			
Seat Belt Policy: Yes No		Drug - Free Policy: Yes No	
GRANT SELECTION CRITERIA		RATING POINTS (Circle one)	
1. Problem Identification		0 5 10 15 25	
2. Goal		0 3 5	
3. Objectives		0 5 10	
4. Strategies		0 10 20 30	
5. Evaluation		0 5 10	
6. Budget Proposal / Budget Narrative		0 5 10	
7. Cost Assumption		0 5 10	
TOTAL			

1. Problem Identification: 25 points

- Includes at least three years of baseline data.
- Isolates the cause(s) of the problem.
- Identifies the targeted population.
- Defines the targeted geographic area, if applicable.
- Describes a situation where positive performance outcomes are expected.
- Identifies a problem within the NOHS's scope.

2. Goal: 5 points

- Describes the anticipated long-term results.
- Impacts one of the Emphasis Areas.

3. Objectives: 10 points

- Describes problem-related outcomes of the project.
- Defines the population served.
- States obtainable time frame when objectives will be met.
- Describes the objectives in numerical/measurable terms.
- Does not describe the Strategies.

4. Strategies: 30 points

- Clearly describes project activities.
- States reasons for selection of activities.
- Describes sequence of activities.
- Describes clients and client selection.
- Presents a reasonable scope of activities that can be accomplished within the time allotted for the project and within the resources of the applicant.

5. Evaluation: 10 points

- Restates final products/objectives to be evaluated.
- Describes data gathering methods.
- Describes the process of data analysis.
- Shows how evaluation will be used for improvements.
- Describes evaluation reports to be produced.

6. Budget Proposal / Budget Narrative: 10 points

- Estimates costs of the project as accurately as possible.
- Includes reasonable, necessary, and appropriate costs.
- Justifies the costs to anticipated results.
- Includes budget narrative with cost explanations.

7. Cost Assumption: 10 points

- Describes the agency's resources to match funding.
- Provides a matching plan for requested federal funds.
- Describes how the project will reach self-sufficiency.

**WRITE ANY COMMENTS/SUGGESTIONS
ON THE BACK OF THIS SHEET**

Appendix G. On-Site Monitoring Form

Nebraska Office of Highway Safety On-Site Monitoring Form

CONTRACTOR INFORMATION				
Contractor:		Project #:	Contract Amount:	\$
Dollars Expended to Date:	\$			
*All projects will be monitored once a year at an on-site visit with the exception of mini-grants.				
Address:		City:	State:	
Agency Director:		Telephone:		
Contract Representative:		Telephone:		
AUDIT INFORMATION				
Date of Desk/On-Site Visit:		Monitoring Type: Phone <input type="checkbox"/> On-Site <input type="checkbox"/>		
1 = Low 5 = High				
1 - Are contract project strategies on schedule:	Yes <input type="checkbox"/> No <input type="checkbox"/>	1 - 2 - 3 - 4 - 5		
2 - Are monthly reports up to date:	Yes <input type="checkbox"/> No <input type="checkbox"/>	1 - 2 - 3 - 4 - 5		
3 - Are claims being submitted in a timely manner:	Yes <input type="checkbox"/> No <input type="checkbox"/>	1 - 2 - 3 - 4 - 5		
4 - Is the project staffed as required:	Yes <input type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/>	1 - 2 - 3 - 4 - 5		
5 - Is activity acceptable:	Yes <input type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/>	1 - 2 - 3 - 4 - 5		
6 - Does the contract include special conditions:	Yes <input type="checkbox"/> No <input type="checkbox"/>	1 - 2 - 3 - 4 - 5		
6a - Have special conditions been met:	Yes <input type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/>	1 - 2 - 3 - 4 - 5		
7 - Have general conditions of the contract been met:	Yes <input type="checkbox"/> No <input type="checkbox"/>	1 - 2 - 3 - 4 - 5		
8 - Have any contract modifications been made:	Yes <input type="checkbox"/> No <input type="checkbox"/>	1 - 2 - 3 - 4 - 5		
9 - Has pre-service/in-service training been provided:	Yes <input type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/>	1 - 2 - 3 - 4 - 5		
10 - Obtain copies of all required reporting documents:	Yes <input type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/>	1 - 2 - 3 - 4 - 5		
11 - Has contract equipment been purchased:	Yes <input type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/>	1 - 2 - 3 - 4 - 5		
11a - If so, has equipment been put in service:	Yes <input type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/>	1 - 2 - 3 - 4 - 5		
11b - Inspect all contract purchased equipment:	Yes <input type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/>	1 - 2 - 3 - 4 - 5		
11c - Has an Equipment Inventory Log been completed:	Yes <input type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/>	1 - 2 - 3 - 4 - 5		
11d - NOHS equipment tag attached:	Yes <input type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/>	1 - 2 - 3 - 4 - 5		
12 - Have education items been ordered:	Yes <input type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/>	1 - 2 - 3 - 4 - 5		
12a - Have educational items been received:	Yes <input type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/>	1 - 2 - 3 - 4 - 5		
13 - Artwork/Safety message approved:	Yes <input type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/>	1 - 2 - 3 - 4 - 5		
14 - Travel reports submitted:	Yes <input type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/>	1 - 2 - 3 - 4 - 5		
DEFICIENCY INFORMATION				
Note deficiencies by referencing number and describing deficiency and required correction(s) (attach additional sheet if needed):				
Deficiencies must be corrected by:				
				Score:

NOHS Traffic Safety Specialist

Date

Agency Representative

Date

1/09

Appendix H. Selected Items of Cost Addressed in Appendix B, 2 CFR Part 225 – OMB Circular A-87

Selected items of cost addressed in Appendix B are:

1. Advertising and public relation costs.
2. Advisory councils.
3. Alcoholic beverages.
4. Audit costs and related services.
5. Bad debts.
6. Bonding costs.
7. Communication costs.
8. Compensation for personnel services.
9. Contingency provisions.
10. Defense and prosecution of criminal and civil proceedings and claims.
11. Depreciation and use allowances.
12. Donations and contributions.
13. Employee morale, health, and welfare costs.
14. Entertainment costs.
15. Equipment and other capital expenditures.
16. Fines and penalties.
17. Fund raising and investment management costs.
18. Gains and losses on disposition of depreciable property and other capital assets and substantial relocation of Federal programs.
19. General government expenses.
20. Goods or services for personal use.
21. Idle facilities and idle capacity.
22. Insurance and indemnification.
23. Interest.
24. Lobbying.
25. Maintenance, operations, and repairs.
26. Materials and supplies costs.
27. Meetings and conferences.
28. Memberships, subscriptions, and professional activity costs.
29. Patent costs.
30. Plant and homeland security costs.
31. Pre-award costs.
32. Professional service costs.
33. Proposal costs.
34. Publication and printing costs.
35. Rearrangement and alteration costs.
36. Reconversion costs.
37. Rental costs of building and equipment.
38. Royalties and other costs for the use of patents.
39. Selling and marketing.
40. Taxes.
41. Termination costs applicable to sponsored agreements.
42. Training costs.
43. Travel costs.

